



ÖLGERDİN Sustainability Report 2024

Contents

Introduction	3		
CEO's Foreword	4		
Partners and Collaborations.....	6		
Goals Achieved in 2024.....	7		
Markmið Ölgerðarinnar til 2030	8		
Sustainability Journey	9		
Improvements	10		
Sustainability Is Our First Choice.....	11		
Ölgerðin's Operations	12		
Sustainability Management and Monitoring.....	12		
Sustainability Policy	13		
Double Materiality Assessment.....	14		
Material Topics of the Ölgerðin Group	15		
Double Materiality Assessment of the Ölgerðin Group and Its Impact on the Value Chain	16		
2. Environmental Factors	17		
Climate Change.....	18		
Science Based Target (SBTi)	19		
Net Zero 2040	20		
Carbon Intensity of Revenue.....	20		
Ölgerðin's Carbon Footprint.....	21		
Carbon Emissions Breakdown by year	22		
Ölgerðin's Carbon Footprint 2024	23		
Energy and Energy Use in Operations.....	24		
Improved Energy Efficiency	24		
Electrification of the Vehicle Fleet.....	25		
Electrification in Production.....	25		
		Packaging and Raw Materialsi.....	26
		Improvements in Packaging and Production Processes ...	26
		Water Use and Biodiversity.....	27
		Resource Use and the Circular Economy	28
		Recycling Rate.....	28
		Packaging Recycling.....	29
		Coffee Capsule Recycling	29
		Reducing Food Waste in E-Commerce.....	29
3. Social	30		
		Human Rights	31
		Employee Well-being and Skills Development	32
		Job Satisfaction.....	32
		Career Development and Education Levels	32
		Diversity	33
		Diversity Policy	33
		Gender Balance	34
		The Equality Scale	35
		Equality and Diversity	35
		Icelandic Language Instruction for All – Bara tala.....	35
		Health and Safety of Employees	36
		Zero-Injury Policy.....	36
		Health-Promoting Workplace.....	36
		Training and Development.....	36
		Job Exchange	37
		Human Rights in the Supply Chain.....	37
		Supplier Assessment	37
		Consumer Health and Safety	38
		Healthier Choices	38
		Icelandic Ingredients.....	39
		Responsible Marketing Practices.....	40
		Product Quality, Safety, and Social Responsibility.....	40
		Responsible Marketing.....	40
		Community Support.....	40
4. Corporate Governance	41		
		Business Ethics and Corporate Culture.....	42
		Code of Conduct and Ethics	42
		Corporate Governance.....	42
		Ethics and Anti-Corruption Measures	43
		Sustainability Governance.....	43
5. ESG Report	44		
		Statement and Endorsement by Klappir Green Solutions hf.....	45
		Report of the Board of Directors and CEO	46
		ESG-þættir.....	47
		Operational Parameters	47
		Emissions	49
		Emission Sources	54
		Environmental management	59
		Social	60
		Governance	66
		Organizational and Operational Boundaries	69
		Organizational Boundaries.....	69
		Operational Boundaries	69
		Definitions	70
		Explanatory Notes	71

1.

Introduction

CEO's Foreword	4
Partners and Collaborations	6
Goals Achieved in 2024	7
Markmið Ölgerðarinnar til 2030	8
Sustainability Journey	9
Improvements	10
Sustainability Is Our First Choice	11
Ölgerðin's Operations	12
Sustainability Management and Monitoring	12
Sustainability Policy	13
Double Materiality Assessment	14
Material Topics of the Ölgerðin Group	15
Double Materiality Assessment of the Ölgerðin Group and Its Impact on the Value Chain	16

CEO's Foreword

The year 2024 was marked by strong progress in sustainability at Ölgerðin, as sustainability is not a secondary aspect of the company's operations – it is intertwined with our vision for the future. New initiatives were launched, and improvement projects were systematically pursued. We aim to be the first choice for all stakeholders. Sustainability must be an integral part of our daily decisions and long-term strategy.

One of the biggest and most impactful steps taken during the year was the modification of the production line for plastic bottles. These changes led to a reduction in plastic use by 58 tonnes. On an annual basis, the estimated saving is 80 tonnes, which is a clear benefit and demonstrates how targeted decisions can have a significant impact.

During the year, an agreement was signed with the Reykjavik Forestry Association for afforestation in Lundarreykjadalur. The forest will be open to the public for outdoor recreation. It is estimated that 400,000 plants will be planted there over the next five years, and Ölgerðin will acquire 95% of the carbon credits generated during the 50-year period covered by the agreement.

The electrification of our vehicle fleet continues at full speed. In 2024, 15 electric vehicles were purchased, including two trucks. Our goal is that, by the end of 2025, 68% of the fleet will be fully electric vehicles, and 77% if plug-in hybrids are included.

Improvement efforts are embedded in the company's culture. Hundreds of improvements were completed, all of which were aimed at reducing or eliminating waste. Among the projects were technical upgrades to equipment that improved energy efficiency, label changes that went to Fjölsmiðjan (a social enterprise), and reduced soap usage by 10 tonnes annually. These are all ideas that came from Ölgerðin's employees, and it is gratifying to see how sustainability has become such a large part of our workplace culture.

Ölgerðin received the Sustainability Axis Award in 2024, scoring the highest among the manufacturing companies in Iceland. This is the first time the Sustainability Axis Award has been presented. The Sustainability Axis is a metric that assesses the public perception of the performance of Icelandic companies and institutions in terms of sustainability. We at Ölgerðin are grateful for the recognition and view it as further encouragement to continue on the path that we have set for ourselves.

We are also proud to have moved up a category in Reitun's ESG rating, where Ölgerðin received an outstanding score. Ölgerðin has undergone ESG evaluations by Reitun since 2021 and we are now in category A3, which is the highest in Reitun's ESG ranking. Ölgerðin is also listed on PwC's 2024 Sustainability Index and falls under category 2. Such recognition is quite an in-



centive, but it is also a reminder that we can and must do even better.

Ölgerðin's sustainability journey is based on real actions, not just goals. This is the foundation that we want to continue building upon. The future demands courage and solution-oriented thinking. It is our role to respond to challenges, face them with responsibility, and have a willingness to lead by example.

We utilize diverse resources and human capital to create value for stakeholders and society as a whole. We aim to be the first choice for all stakeholders. With a clear vision as our guiding principle and a focused approach to sustainability, we have developed our operations with the aim of creating a positive impact on the environment and society.

Input

Resources

Water, raw materials, and energy

Investments

In innovation, technology, and production facilities

Human Capital

Employees and their expertise

Partners



Stakeholders

Partners	Employees	Suppliers
Owners	Authorities	Service providers
Customers	Consumers	

Vision and Goals

Growth

- Strong product development in new markets
- Investments in production equipment
- New warehouse
- Exports
- Buyouts and acquisitions
- V1

Digital Transformation

- Stronger infrastructure
- Increased professionalism with Saga
- Easier access and education
- Automating processes

Employees

- Education and training
- Increased information flow
- Better communication
- Increased diversity
- Professionalism

Sustainability

- Eliminate waste
- Net-Zero 2040
- Targeted investments that support sustainability goals
- More environmentally friendly

Future Vision



Impact and Performance

Scope 1	426 tCO ₂ e
Scope 2	210 tCO ₂ e
Scope 3	17,376 tCO ₂ e
Carbon intensity of revenue	394 tCO ₂ e/million
Waste sorting rate	91.6%
Waste recycling rate	98.5%
Recycling of coffee capsules	10,612 kg
Total energy consumption	27,464,598 kWh
Social Factors	Employee satisfaction rate 87.2%

Key elements of Ölgerðin's sustainability strategy



Partners and Collaborations

At Ölgerðin, we collaborate with a wide range of partners on our sustainability journey. These include organizations such as Festa, the UN Global Compact, and participation in initiatives like the UN Sustainable Development Goals and the Science Based Targets initiative (SBTi). It is important to work with forward-thinking partners and stay alert to the global changes taking place.



Proud Member of Festa

In 2015, Ölgerðin participated in the Climate Declarations of Festa and the City of Reykjavik, along with over 100 other companies. The project involved a focused effort on climate issues, and since then, the carbon footprint from our own operations (Scopes 1 and 2) has decreased by 80%. In September 2023, Ölgerðin and other Icelandic companies committed to aligning their carbon footprints with the Paris Agreement by setting emission reduction targets according to the Science Based Targets initiative (SBTi). This project has the potential to be a turning point for impactful climate action in Icelandic business. It is led by a unique group of experts and CEOs and emphasizes the importance of leadership in this field, along with focused education and transparent communication of results and actions. Ölgerðin is one of Festa's key partners in 2024.



The UN Global Compact

The UN Global Compact (UNGC) is an initiative by the United Nations and the business community to promote responsible practices, encouraging companies and institutions to act in the interest of society with sustainability as a guiding principle. Around 25,000 companies globally are part of the UN Global Compact. Ölgerðin is among the 28 Icelandic companies that actively participate. The purpose of the UNGC's local network in Iceland is to foster strategic collaboration between the organization and Icelandic businesses, accelerating sustainability progress. By participating in the Global Compact, companies commit to integrating the initiative's ten principles into their operations. In doing so, companies not only fulfill their basic responsibilities toward people and the environment, but also create value for the economy and society, laying the foundation for long-term success.



The UN Sustainable Development Goals
















The United Nations Sustainable Development Goals (SDGs) were adopted by all of the UN member states in September 2015. Covering the period from 2016 to 2030, there are 17 goals and 169 sub-targets, addressing both domestic issues and international cooperation throughout their duration. A key characteristic of the SDGs is their universality, meaning that member states have committed to systematically working on implementing the goals both nationally and internationally during their effective period. At Ölgerðin, the SDGs serve as a guiding framework in our sustainability strategy.



Science Based Targets

The Science Based Targets initiative (SBTi) is a guide for companies to meet the set climate goals and prevent the worst impacts of climate change. It provides a roadmap for businesses to achieve net-zero emissions, promotes innovation, and supports sustainable growth by giving companies tools to set ambitious and scientifically validated sustainability targets. At Ölgerðin, we have set ambitious, science-based goals aimed at keeping global warming below 1.5°C by 2030 and achieving net-zero emissions by 2040.





Goals Achieved in 2024

Goals in 2024	Annual performance	
Employee satisfaction over 85%		Employee satisfaction was 87.2%
Circular economy projects		Over 10 tonnes of coffee capsules recycled and 257 tonnes sold through Danól's discount page, among other projects
Increase the range of healthier beverage options		40% less sugar per liter of production products compared to 2020
Zero accidents		Work accident rate 3.9% as a percentage of total staff
Solar panels		Preparation work done and projects postponed until further decision
Sustainability education for all employees		Training tailored to employee roles according to the needs and project nature
Materiality assessment according to the CSRD directive		Double materiality assessment conducted during the year
More recycled material in bottles		50% rPET in plastic bottles and 100% recycled plastic in bottle wraps, previously 50% recycled
Improve building accessibility for all employees and visitors		Project was not completed during the year; work is ongoing to find a solution
Carbon intensity of revenue reduced by 2% year-over-year		Carbon intensity of revenue in scope 1 and 2 decreased by 59% year-over-year
Detailed supplier assessment process		New supplier assessment system implemented for Ölgerðin with all suppliers assessed based on risk
Carbon footprint in E-commerce		Project was not completed during the year
Reforestation – certified carbon credits		Reforestation collaboration formally started with the signing of an agreement with Reykjavík Forestry Association
Sustainability reporting according to ESRS		The report is based on the ESRS approach and reflects the first phase toward the full alignment of sustainability reporting with European standards
Better air quality with new ventilation in the production halls		Preparation work was done during the year and the project will continue in 2025



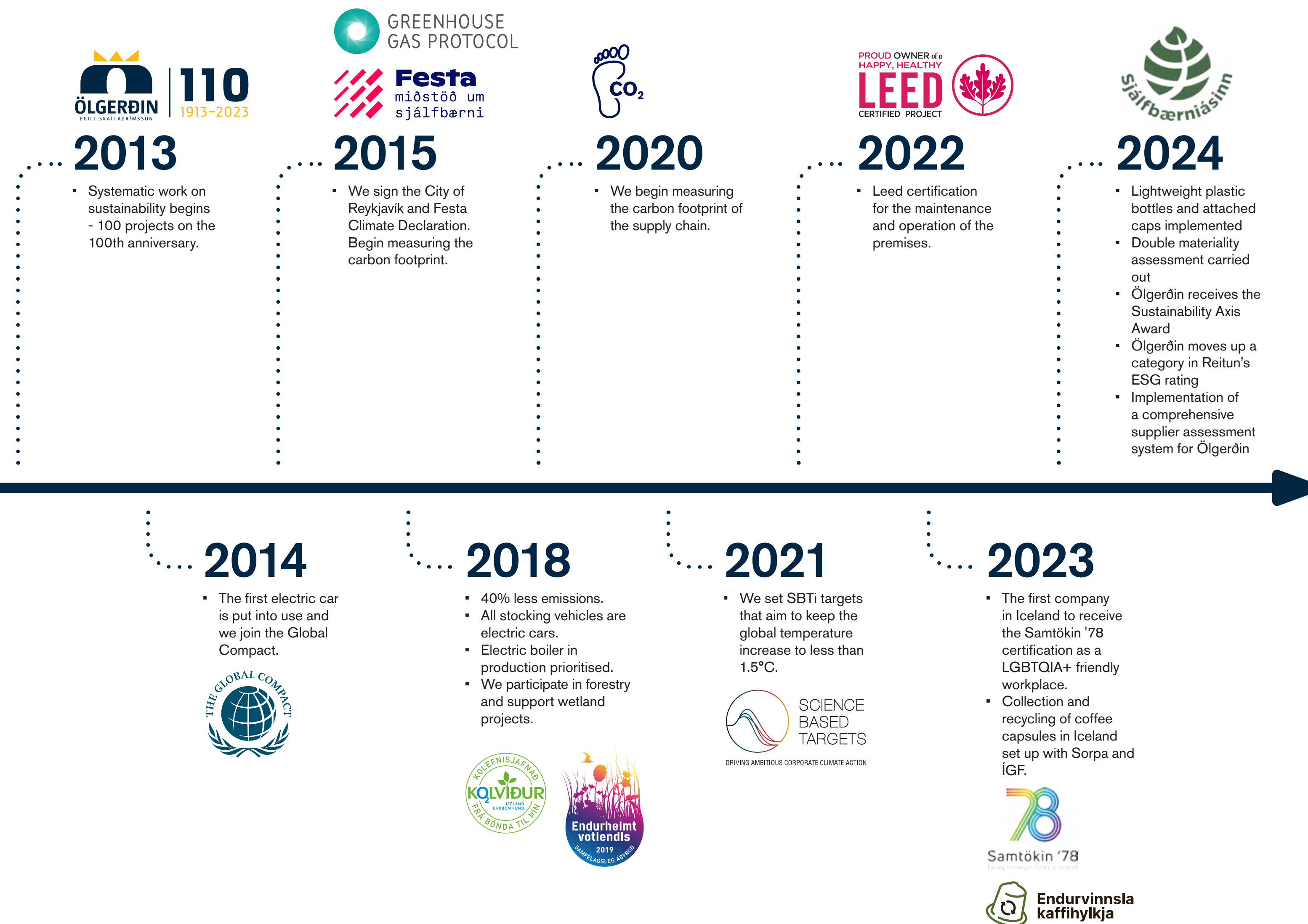
Goals for 2025	
Employee Satisfaction	Over 85%
Zero Accident Policy	0 accidents
Carbon Intensity of Revenue	Carbon intensity for Scope 1 and 2 reduced by 2% year-over-year
Improvements	500 completed improvements
Energy Composition	95% renewable energy sources
ISO 14001	Implement ISO 14001
Electrification of Vehicle Fleet	68% of vehicle fleet to be electric vehicles
Reitun ESG Rating	Maintain an A rating from Reitun
More Recycled Material in Production Packaging	100% rPET
Carbon Footprint in E-commerce	Publish carbon footprint of packaging in e-commerce
Supplier Assessment	Implement detailed supplier assessment process for Danól
Circular Economy Projects	For example, waste reduction in production, coffee capsule recycling, and food waste reduction projects
Healthier Choices	Increase the range of healthier beverage options
Sustainability Education	Sustainability education for all employees in Ölgerðarskólinn
Better Air Quality with New Ventilation in the Production Halls	Installation of new ventilation equipment in the production halls
Sustainability Reporting	Sustainability reporting published in accordance with European standards
Whistleblower Channel for External Parties	Open whistleblower channel for external parties to report misconduct or violations
Reforestation - Certified Carbon Credits	Planning and preparation for planting in collaboration with Reykjavík Forestry Association

2030 Goals

Category			Goal and Metric		2024 Performance		2024	2023	2022
	Sustainable Growth	Carbon intensity in own operations (scope 1 and 2)	-63% compared to 2020	Carbon intensity scope 1 and 2 (kg CO2e/million)	-63% compared to 2020		13.89	34.01	34.42
		Healthier choices	-50% compared to 2020	Sugar content (g) per liter of produced goods	-40% compared to 2020		18	21	25
	Diversity	Gender ratio	Never exceed 60% of one gender	Leadership gender ratio by 2030 (percentage)	60% men and 40% women	Men	60%	60%	66%
						Women	40%	40%	34%
						Non-binary (Gender registered as non-binary/other)	-	-	-
		Gender ratio	At least 40/60 ratio	Executive board ratio by 2027 (percentage)	75% men and 25% women	Unspecified	-	-	-
						Men	75%	78%	78%
						Women	25%	22%	22%
						Non-binary (Gender registered as non-binary/other)	-	-	-
	Circular Economy	Waste from operations	99% sorting rate	Sorting rate (percentage)	91.6% sorted waste 98.5% recycled waste	91.6% 98.5%	92.7% 97.6%	90.4% 95.3%	
		Packaging for own production	60% recycled raw material	Recycling rate (percentage)	Ölgerðin has a variety of packaging. Regarding plastic, there is 50% rPET in plastic bottles and 100% recycled plastic in film for recycled plastic in film for outer packaging	50% rPET	50% rPET	50% rPET	
	Carbon Neutrality	Energy use	100% renewable energy in operations	Orkusamsetning (hlutfall)	8% higher share compared to 2020	94%	89%	85%	
		Carbon footprint in own operations (scope 1 and 2)	-42% compared to 2020	Scope 1 (tCO2e)	-57% compared to 2020	426	1,307	1,108	
				Scope 2 (tCO2e)		209	237	215	
				Scope 1 and 2 (tCO2e)		635	1,543	1,323	
		Carbon footprint of produced goods	-25% compared to 2020	Ölgerðin's produced goods (tCO2e) emissions in Scope 3 Purchased goods and services(raw materials and packaging)	Accurate measurements of the product carbon footprint not yet available	9,396	8,825	8,111	
Calculations of supply chain emissions	Improve calculations and reduce scope 3 emissions	Total emissions in Scope 3 (tCO2e)	Calculations added for purchased vehicles and the hosting of purchased goods	17,376	16,101	14,928			

Sustainability Journey

On the occasion of Ölgerðin's 100th anniversary in 2013, the company set 100 goals for the future and has since been systematically working on sustainability initiatives. Ölgerðin is a member of the UN Global Compact and has set a goal to achieve carbon neutrality by 2040. This target has been validated by the Science Based Targets initiative (SBTi). A strong emphasis is placed on responsible resource use, energy-saving projects, and reducing the carbon footprint across Ölgerðin's operations and its subsidiaries.

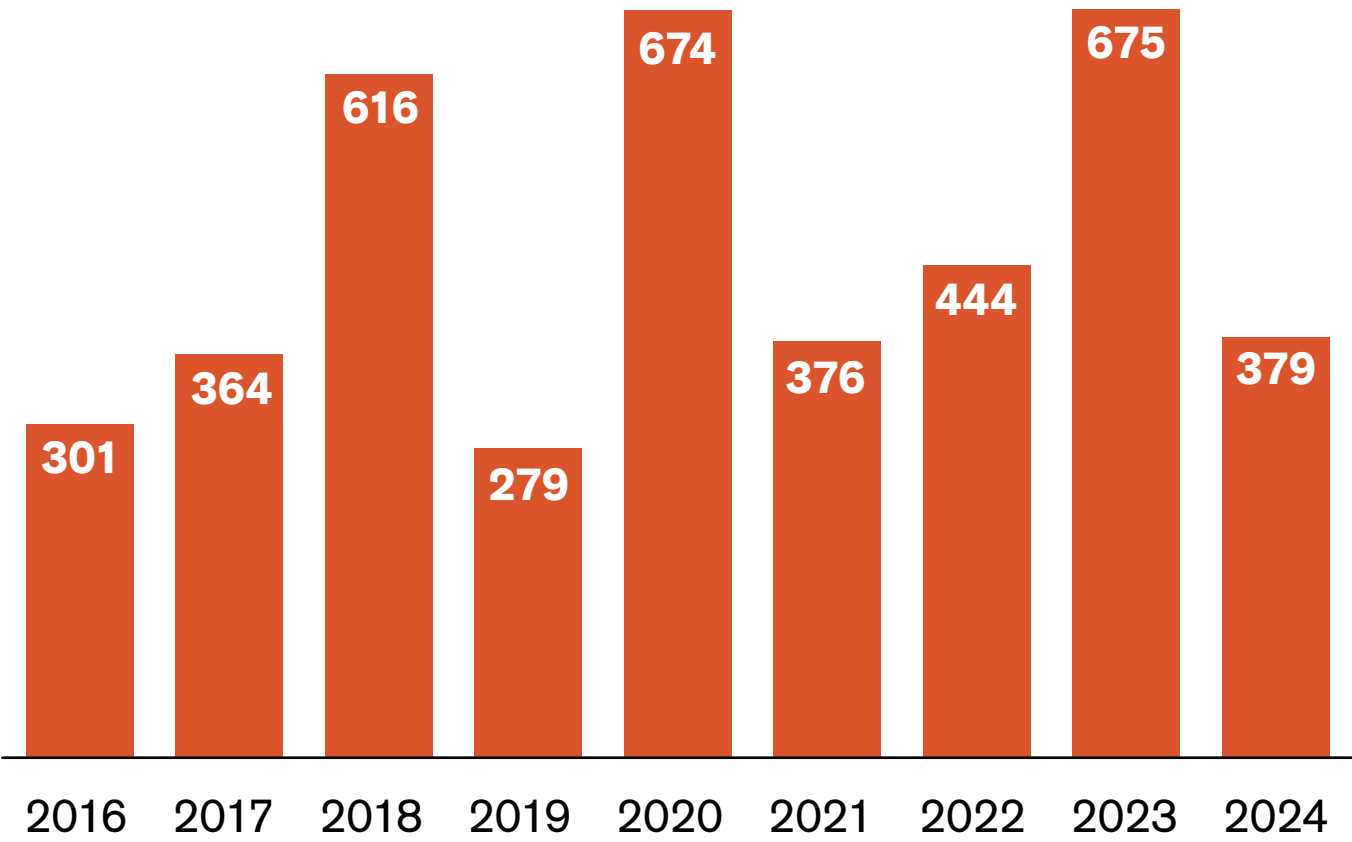


Improvements

It can truly be said that a culture of continuous improvement is deeply embedded within Ölgerðin. All employees are constantly working on improvements, which form the foundation of everything we do. We are always looking for ways to do things better today than we did yesterday. Each improvement project reduces waste in the company and, therefore, is directly linked to sustainability.

All employees have the opportunity to submit improvement ideas and all suggestions are welcomed. A public dashboard is available on the company's internal website, where all the completed improvements are made visible. Within the company, several improvement groups are organized by departments to receive and process these suggestions. Each month, the completed improve-

Number of Completed Improvement Projects by Year



ments are reviewed, and the most notable ones for that month are presented at an open improvement meeting for employees. Employees can then vote for the improvement they feel stands out the most, and a prize is awarded for the “Improvement of the Month”.

In 2024, a total of 379 improvements were completed within the company. Improvements are categorized by type, which allows us to specifically track those related to key focus areas such as sustainability or diversity. This categorization is important for maintaining an overview of the types of improvements being proposed by employees and helps identify areas where further encouragement for improvement initiatives might be needed.



Basis for Sustainability Reporting

Sustainability Is Our First Choice

Ölgerðin's goal is to embed sustainability into the company culture and ensure that information on sustainability performance is as accessible as the company's financial information. Beyond the obvious environmental and societal benefits, the company believes that a strong focus on sustainability also reduces operational risk and strengthens long-term financial profitability. We aim to be the first choice for our stakeholders – and sustainability is our first choice.

The objective of Ölgerðin's sustainability report is to inform stakeholders about the company's key impacts, risks, and opportunities in the field of sustainability.

The Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS) represent a major step toward standardized and transparent sustainability reporting across Europe. Although the directive has not yet been implemented in Iceland, the future direction of sustainability disclosure remains uncertain. Ölgerðin is closely monitoring the development of sustainability-related regulatory frameworks that are relevant to its operations.

A double materiality assessment is the first step toward fulfilling the requirements of CSRD and ESRS for sustainability reporting. This assessment lays the foundation for focused reporting and provides deeper insight into the company's operations. In 2024, Ölgerðin carried out a double materiality assessment, mapping out the main impacts, risks, and opportunities across its operations and value chain. The analysis covered both direct and indirect impacts and evaluated sustainability and financial aspects based on the scope, likelihood, and potential consequences.

The company will continue to use the results of the double materiality assessment to support strategy development, decision-making, and daily operations. It also helps to clarify the most significant impacts, risks, and opportunities relevant to the company's future development.

Ölgerðin's sustainability report is based on Nasdaq's ESG guidelines, and climate impact calculations are performed in accordance with the Greenhouse Gas Protocol. The report reflects the company's first steps in aligning its sustainability disclosures with the

ESRS standard, although it does not yet fully comply. The sustainability disclosure references the relevant GRI Standards (Global Reporting Initiative, GRI 100–400), the Reporting Principles (P1–10) of the United Nations Global Compact (UNGC), and, where applicable, the European Sustainability Reporting Standards (ESRS).

In 2024, Ölgerðin acquired a property on Köllunarklettsvegur, which had a minor effect on Scope 1 and 2 emissions.

Ölgerðin's 2024 sustainability report has been assured by PwC with limited assurance. While not legally required, this verification ensures the reliability of Ölgerðin's data and performance information related to sustainability.

The sustainability reporting period is based on the calendar year; however, operational and financial elements in the full report are aligned with the company's fiscal year.

An overview of the taxonomy-eligible activities of the Ölgerðin Group, in accordance with the EU Taxonomy Regulation, [can be found in the consolidated financial statements for 2024 here](#).

Ölgerðin's Operations

Ölgerðin and its subsidiaries produce, import and export, distribute, and sell beverages, food products, and various specialty goods. Sustainability is closely linked to the company's operations in many ways, given the wide-ranging nature of its business.

Approximately 53% of the gross profit comes from the sale of Ölgerðin's own brands. In these cases, the company can influence the entire value chain, including product development, packaging choices, recycling, and more.

Around 15% of the gross profit stems from the production and sale of products under franchise agreements, where Ölgerðin's production is aligned with the sustainability goals of major global suppliers.

Thirty-two percent of the gross profit comes from imported products, where strong collaboration with suppliers is crucial. Through these partnerships, the company can influence which products are introduced to the market. There has been a noticeable increase in healthy and environmentally friendly products in the assortment.

Sustainability Management and Monitoring

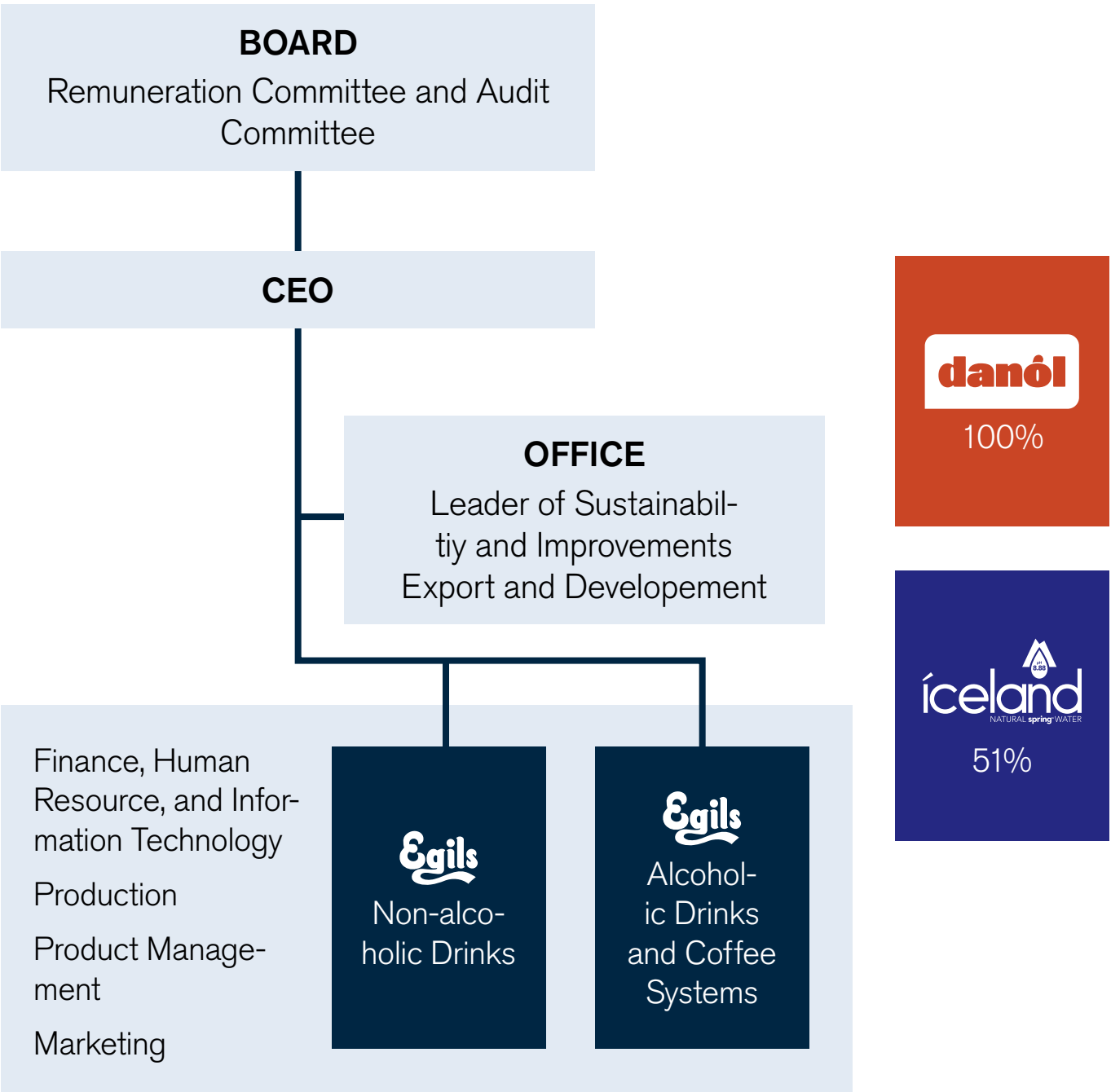
Ölgerðin has defined the specific goals and actions to ensure the implementation of its sustainability policy. The policy is approved by the company's Board of Directors, while its execution is the responsibility of the CEO of Ölgerðin.

The Ölgerðin Sustainability Team ensures that the policy is followed, the action plan is implemented, and regular reviews are carried out. The Head of Sustainability and Improvements oversees the execution of the policy.

Sustainability-related metrics are monitored regularly, and an annual sustainability report is published and made available to all stakeholders, providing an update on progress.

Non-financial information is included in the company's financial statements, reviewed by Ölgerðin's Audit Committee, and approved by the Board of Directors.

Organizational Chart



Sustainability Policy

Ölgerðin's current sustainability policy came into effect in 2021 and is reviewed annually. The policy was developed by the company's management through workshops aimed at identifying the most important areas of focus. In drafting the policy, those United Nations Sustainable Development Goals (SDGs) that Ölgerðin was deemed to have the greatest influence on were used as a reference. The selected goals were gender equality (Goal 5), decent work and economic growth (Goal 8), responsible consumption and production (Goal 12), and climate action (Goal 13).

Four overarching focus areas were ultimately chosen, aligning with the company's vision of being the first choice and with its strategy through 2027. These focus areas are sustainable growth, diversity, circular economy, and carbon neutrality. Alongside the sustainability policy, measurable goals were established and progress is tracked using a sustainability dashboard that is accessible to both management and employees. The metrics in the dashboard are based on the sustainability policy and are reviewed on a monthly basis. Within each of the focus areas, improvement initiatives and larger projects are carried out with progress measured regularly.



Double Materiality Assessment

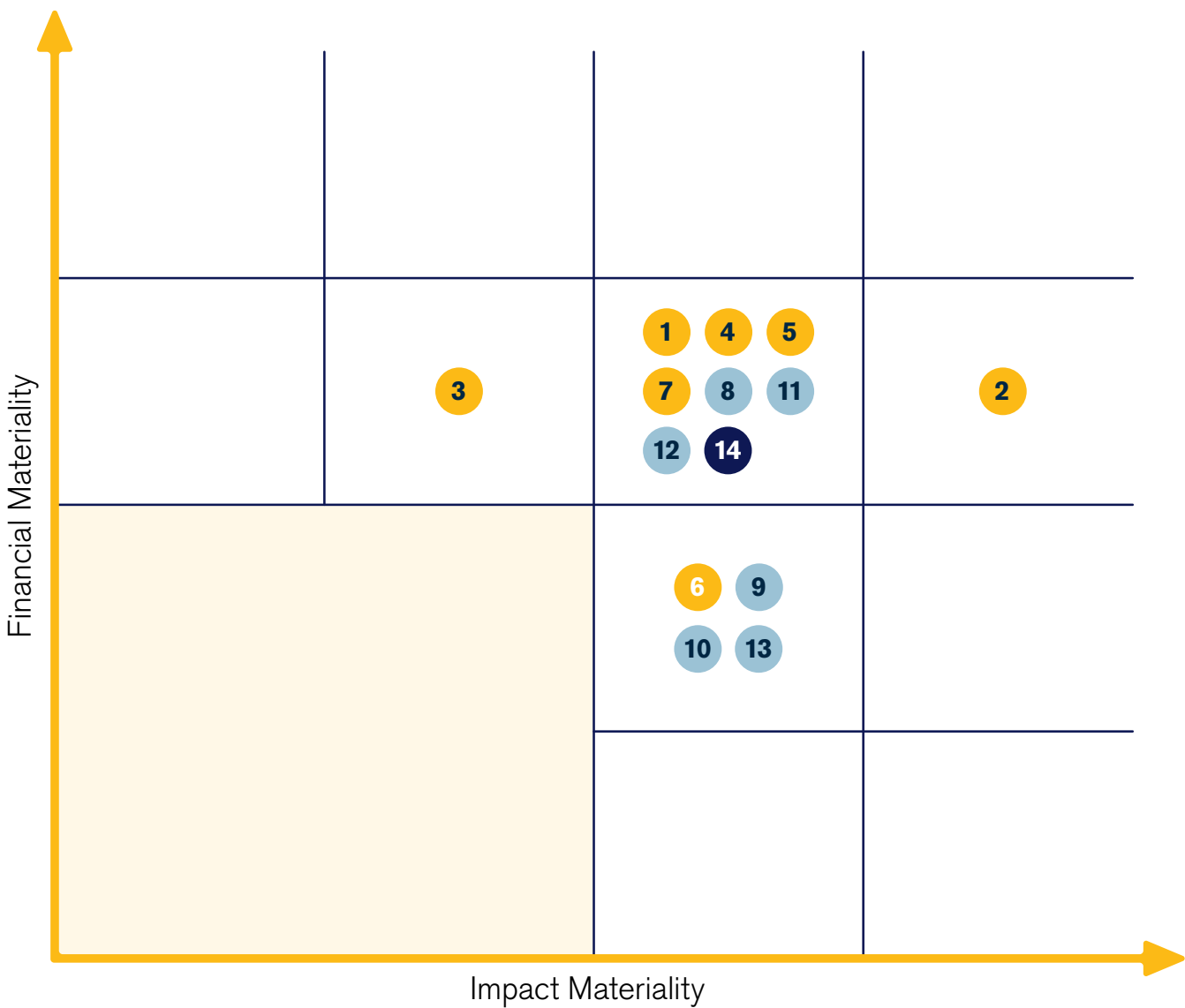
The Ölgerðin Group aims to publish its sustainability disclosures for the year 2025 in accordance with the European Sustainability Reporting Standards (ESRS). Under ESRS, companies are required to conduct a double materiality assessment of their sustainability topics. This approach includes an assessment of the company’s significant outward impacts (impact materiality) and the financial materiality, which involves identifying risks and opportunities for the company itself.

A double materiality assessment was conducted in 2024, analyzing the impacts, risks, and opportunities related to Ölgerðin’s operations, production, and value chain. Both direct and indirect impacts were identified and evaluated. The assessment of sustainability impacts was based on the scale of impact, scope of impact, irremediability of the impact, and likelihood of the impact occurring. Financial materiality was assessed based on the potential magnitude and likelihood of the financial effects. Each factor was evaluated on a scale from 1 to 5. For each topic, assessment criteria were defined, along with clear benchmarks for each level of the scale, which had to be met to receive a specific score.

Ölgerðin’s stakeholders were defined in line with the company’s vision of being the first choice. The company strives to be the first choice for customers, consumers, employees, suppliers, investors, and society at large. Based on this, internal and external stakeholder groups were identified. Internal stakeholders include the executive board, other managers within the company, employees, and board of directors. External stakeholders include the customers, suppliers and partners, consumers, shareholders and lenders, and broader community. Information was collected through interviews, working groups, focus groups, and surveys.

The company will continue to work with the results of the double materiality assessment to integrate key findings into its strategy, daily operations, and decision-making processes. This type of analysis also ensures that the company provides a comprehensive and transparent view of the environmental, social, and governance impacts, risks, and opportunities that are the most relevant for its long-term development.

Further information on the results of the double materiality assessment can be found below, with tables presented in accordance with the current ESRS requirements.



Environmental Factors

- 1 Climate Change
- 2 Packaging and Raw Materials
- 3 Energy
- 4 Water Pollution and Harmful Substances
- 5 Water Use and Water Management
- 6 Biodiversity
- 7 Resource Use and Circular Economy

Social Factors

- 8 Employee Well-Being and Skills Development
- 9 Health and Safety
- 10 Diversity
- 11 Human Rights in Value Chain
- 12 Consumer Health and Safety
- 13 Responsible Marketing Practices

Corporate Governance

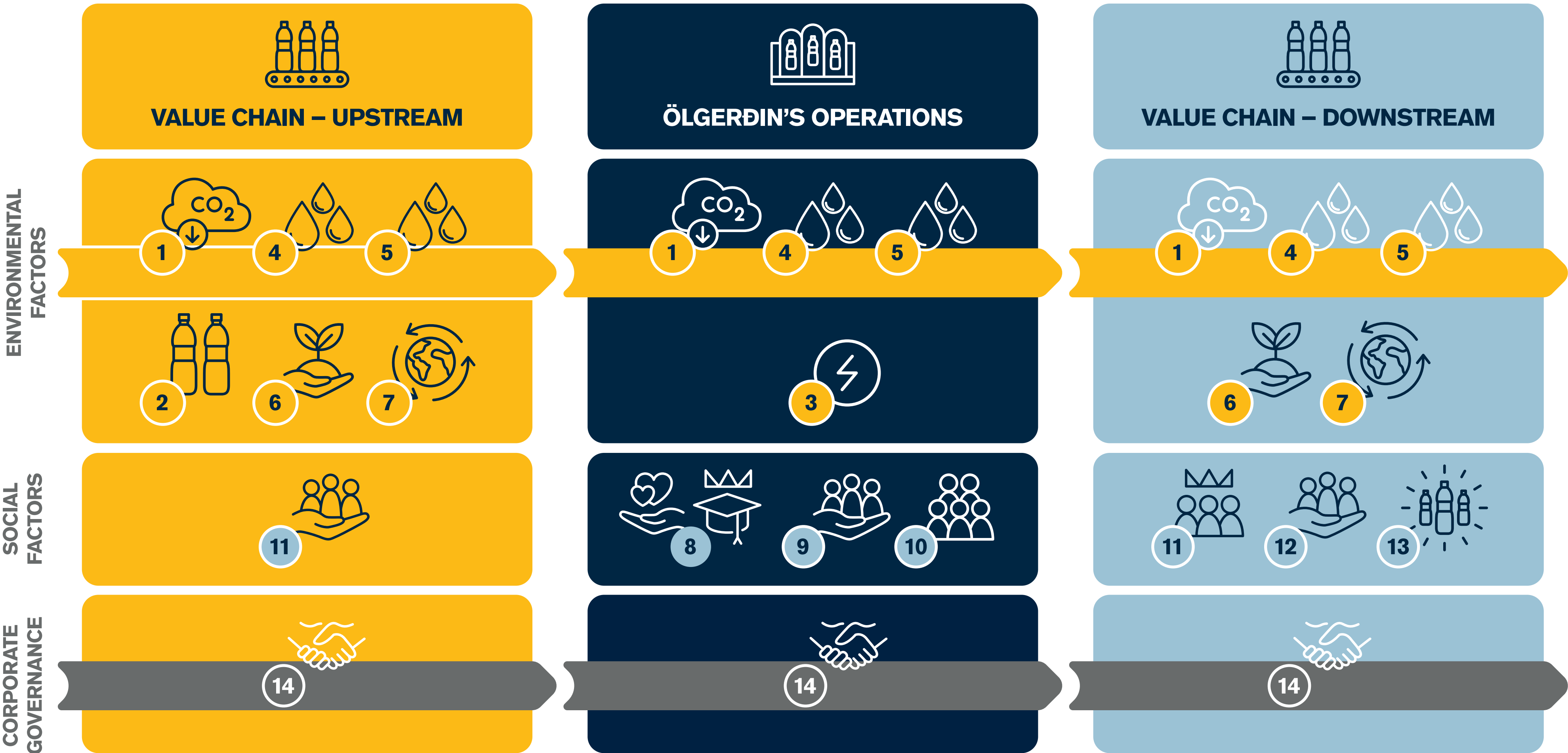
- 14 Business Ethics and Corporate Culture

Material Topics of the Ölgerðin Group

	Standard	Impact	Impact Materiality	Financial Materiality	Value Chain	
Climate Change	ESRS - E1 Climate change adaptation - Physical risks	Water-related hazards	High (Material)	Moderate	Upstream & Direct operations	
	ESRS - E1 Climate change adaptation - Transition risks	Climate-Related Policy and Legal Transition	High (Material)	High (Material)	Upstream, direct operations & downstream	
		Climate-Related Technology Transition	High (Material)	High (Material)	Upstream, direct operations & downstream	
		Climate-Related Market Transition	High (Material)	High (Material)	Upstream, direct operations & downstream	
	ESRS - E1 Climate change mitigation	Industrial processes	High (Material)	High (Material)	Direct operations	
		Category 4: Upstream transportation and distribution	High (Material)	High (Material)	Upstream	
		Category 5: Waste from operations	High (Material)	High (Material)	Downstream	
		Category 9: Downstream transportation and distribution	High (Material)	High (Material)	Downstream	
		Fugitive emissions	High (Material)	Moderate	Direct operations	
		Category 2: Capital goods	High (Material)	Moderate	Upstream & Downstream	
		Category 12: End-of-life treatment of sold products	High (Material)	Moderate	Downstream	
	Packaging and Raw Materials	ESRS - E1 Climate change mitigation	Category 1: Purchased goods and services	Very high (Material)	High (Material)	Upstream
	Energy	ESRS - E1 Climate change mitigation	Mobile fuel consumption	Moderate	High (Material)	Direct operations
Electricity consumption			Moderate	High (Material)	Direct operations	
Water Pollution and Harmful Substances	ESRS - E2 Pollution	Pollution of water	High (Material)	High (Material)	Upstream & Direct operations	
		Microplastics	Moderate	High (Material)	Upstream, direct operations & downstream	
		Substance of concern	High (Material)	Moderate	Upstream & Direct operations	
		Substances of very high concern	High (Material)	Moderate	Upstream & Direct operations	
Water Use and Water Management	ESRS - E3 Water and Marine resources	Water withdrawals	High (Material)	High (Material)	Upstream & Downstream	
		Water consumption	High (Material)	High (Material)	Upstream & Downstream	
		Water discharges in water bodies and in the oceans	High (Material)	High (Material)	Upstream, direct operations & downstream	

	Standard	Impact	Impact Materiality	Financial Materiality	Value Chain		
Biodiversity	ESRS - E4 Biodiversity and Ecosystems	Direct impact drivers of biodiversity loss - Climate Change	High (Material)	Moderate	Upstream & Downstream		
		Land-use change, freshwater-use change and sea-use change	High (Material)	Moderate	Upstream		
		Land degradation	High (Material)	Moderate	Upstream & Downstream		
Resource Use and Circular Economy	ESRS - E5 Circular Economy	Resources inflows, including resource use	High (Material)	High (Material)	Upstream		
		Resource outflows related to products and materials	High (Material)	High (Material)	Downstream		
		Waste	High (Material)	High (Material)	Direct operations & downstream		
Employee Well-Being and Skills Development	ESRS - S1 Own Workforce	Work-life balance	High (Material)	High (Material)	Direct operations		
		Training and skills development	High (Material)	High (Material)	Direct operations		
		Privacy	High (Material)	High (Material)	Direct operations		
Health and Safety		Health and safety	High (Material)	Moderate	Direct operations		
Diversity		Gender equality and equal pay for work of equal value	High (Material)	Moderate	Direct operations		
		Diversity	High (Material)	Moderate	Direct operations		
Human Rights in Value Chain	ESRS - S2 Workers in the Value chain	Working time	High (Material)	High (Material)	Upstream & Downstream		
		Adequate wages	High (Material)	High (Material)	Upstream & Downstream		
		Freedom of association	High (Material)	High (Material)	Upstream & Downstream		
		Principle of equal treatment	High (Material)	High (Material)	Upstream & Downstream		
		Measures against violence and harassment in the workplace	High (Material)	High (Material)	Upstream & Downstream		
		Diversity	High (Material)	High (Material)	Upstream & Downstream		
		Child labour	High (Material)	High (Material)	Upstream & Downstream		
		Forced labour	High (Material)	High (Material)	Upstream & Downstream		
		Adequate housing	High (Material)	High (Material)	Upstream & Downstream		
		Collective bargaining	High (Material)	Moderate	Upstream & Downstream		
		Health and safety	High (Material)	Moderate	Upstream & Downstream		
		Water and sanitation	High (Material)	Moderate	Upstream & Downstream		
		Consumer Health and Safety	ESRS - S4 Consumers and Endusers	Health and safety	High (Material)	High (Material)	Downstream
				Protection of children	High (Material)	Moderate	Downstream
		Responsible Marketing Practices		Responsible marketing practises	High (Material)	Moderate	Downstream
Responsible Marketing Practices	ESRS - G1 Business conduct	Corporate culture	High (Material)	High (Material)	Direct operations		
		Animal welfare	High (Material)	Low	Upstream		
		Management of relationships with suppliers including payment practices	High (Material)	Moderate	Downstream		

Double Materiality Assessment of the Ölgerðin Group and Its Impact on the Value Chain



2.

Environmental Factors

- Climate Change 18
 - Science Based Target (SBTi) 19
 - Net Zero 2040 20
 - Carbon Intensity of Revenue 20
 - Ölgerðin's Carbon Footprint 21
 - Carbon Emissions Breakdown by year 22
 - Ölgerðin's Carbon Footprint 2024 23
 - Energy and Energy Use in Operations24
 - Improved Energy Efficiency 24
 - Electrification of the Vehicle Fleet 25
 - Electrification in Production 25
 - Packaging and Raw Materialsi 26
 - Improvements in Packaging and Production Processes 26
 - Water Use and Biodiversity 27
 - Resource Use and the Circular Economy 28
 - Recycling Rate 28
 - Packaging Recycling29
 - Coffee Capsule Recycling 29
 - Reducing Food Waste in E-Commerce 29

Ölgerðin recognizes the impact that the Group's operations have on the climate and considers sustainability as a key element in the company's long-term success. The company works systematically to reduce greenhouse gas emissions and supports the United Nations Sustainable Development Goals. Through continuous operational improvements, Ölgerðin strives to minimize its carbon footprint. Ölgerðin follows the principles of the UN Global Compact and submits an annual progress report. The company also contributes to achieving Iceland's climate targets of a 40% reduction in carbon emissions by 2030.

Climate Change

Ölgerðin has set a goal of reaching carbon neutrality by 2040. The methodology is based on the Science Based Targets initiative (SBTi), aiming to reduce emissions throughout the entire value chain, with any remaining emissions offset through certified carbon credits.

The company has signed an agreement with the Reykjavik Forestry Association for reforestation on part of the association's land in Lundarreykjadalur with a permit for the project already secured. Over the next five years, 400,000 trees will be planted. According to the agreement, Ölgerðin will acquire the majority of the carbon credits generated. The forest itself will be owned by the Reykjavik Forestry Association and will serve as a recreational area open to the public.

Climate-Related Risks and Opportunities

Ölgerðin has identified the main climate-related risks and opportunities relevant to its operations. The company's climate-related risks are primarily linked to new laws and regulations, such as potential product bans or the imposition of high carbon fees and pollution taxes. Shifts in consumer attitudes may also present a risk, requiring the company to monitor evolving expectations, particularly in relation to sustainable packaging. In addition, pollution-related issues could pose operational risks for the company.

Further details on climate-related risks and opportunities can be found on Ölgerðin's website.





Science Based Target (SBTi)

Ölgerðin has set ambitious goals that can be verified using scientifically approved methods, aiming to keep global warming below 1.5°C (as per the Science Based Targets initiative (SBTi)). [A list of companies that follow these standards and have received validation can be found here.](#)

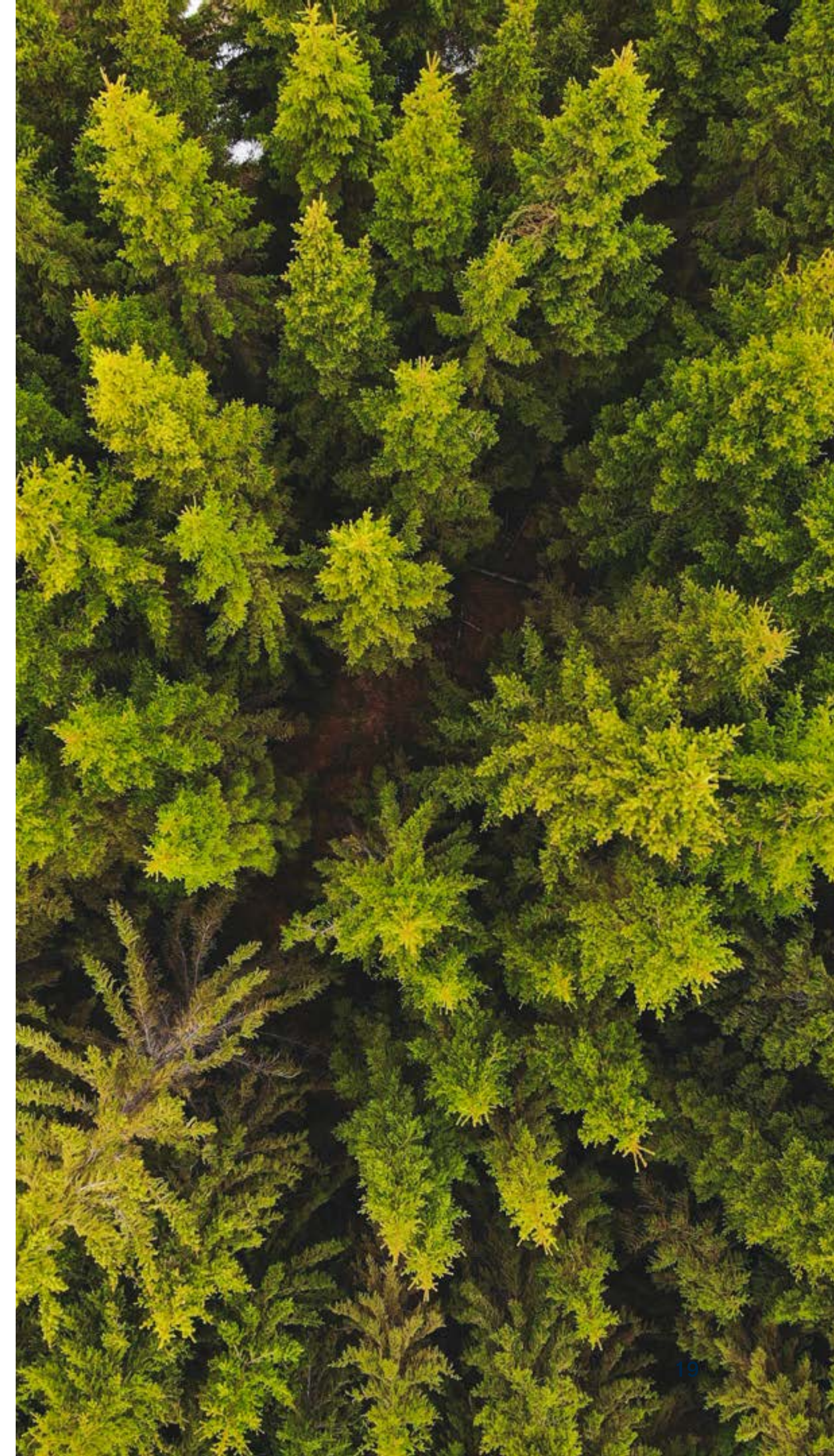
Ölgerðin has committed to reducing emissions in Scopes 1 and 2 by 42% compared to 2020, in addition to the significant progress already achieved. In 2024, emissions in Scopes 1 and 2 were reduced by 57% compared to the 2020 baseline. Therefore, Ölgerðin has met its target of reducing emissions from its own operations, and this achievement marks an important milestone in the Group's sustainability journey.

In addition, the company aims to gain an even better understanding of its indirect emissions (Scope 3) and reduce them as much as possible. Scope 3 includes emissions that occur throughout our value chain, both upstream (e.g., from the production of raw materials

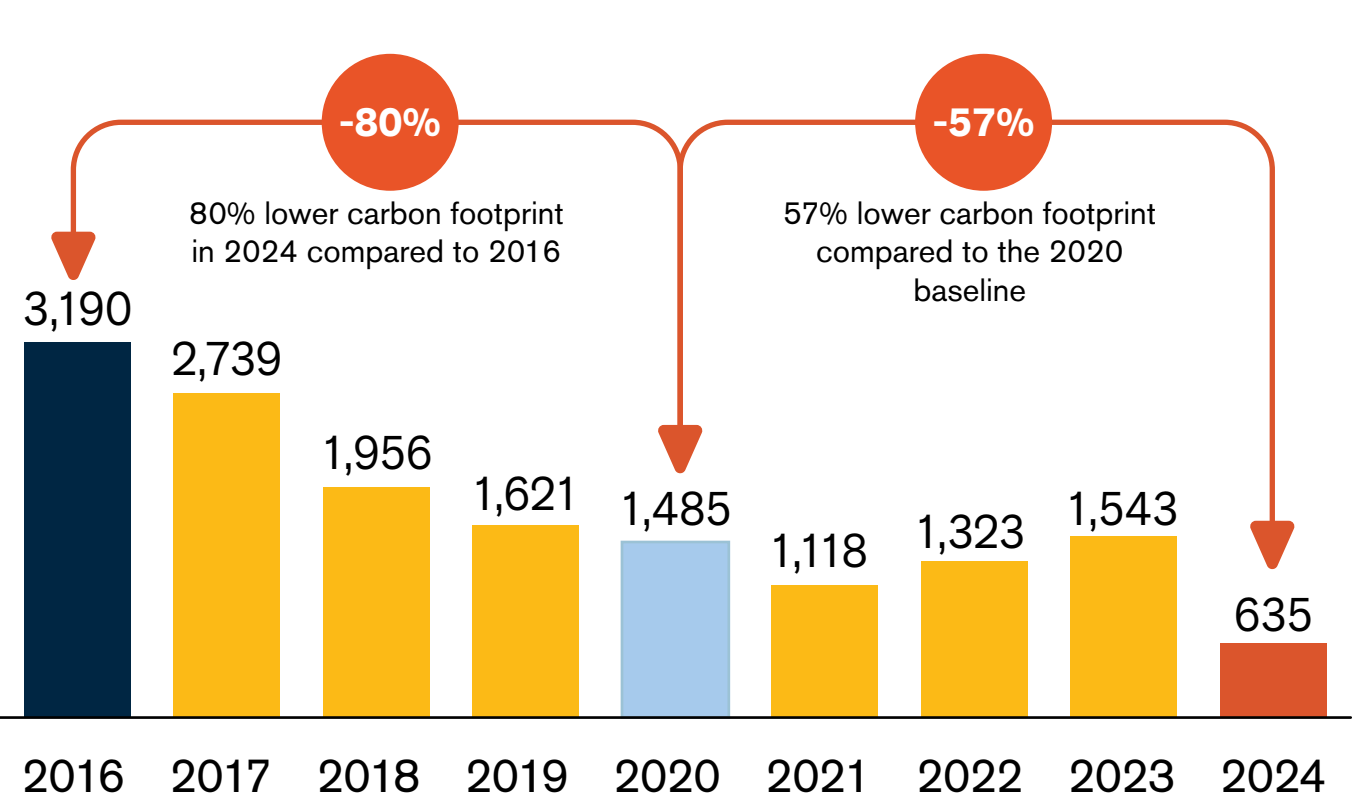
and the services we purchase) and downstream (e.g., recycling of packaging). This is typically the largest and most complex part of a company's carbon footprint to measure and influence.

For the 2024 Scope 3 calculations, emissions from purchased vehicles (Scope 3.2 – capital goods) and the warehousing of purchased goods (Scope 3.4 – upstream transportation and distribution) were added. This allows us to gain a more accurate picture of our total emissions. It is important to emphasize that it is difficult to reduce what is not measured – which makes this a major and meaningful step toward having a better understanding of our value chain.

Managing Scope 3 is a significant undertaking, but we look forward to doing even better. With improved insight into our value chain, we can identify opportunities for improvement better, engage in more targeted conversations with suppliers, and choose more sustainable solutions where possible.



Net-Zero Emissions by 2040
Carbon emissions in Scopes 1 and 2 – tonnes CO₂e with market-based measures



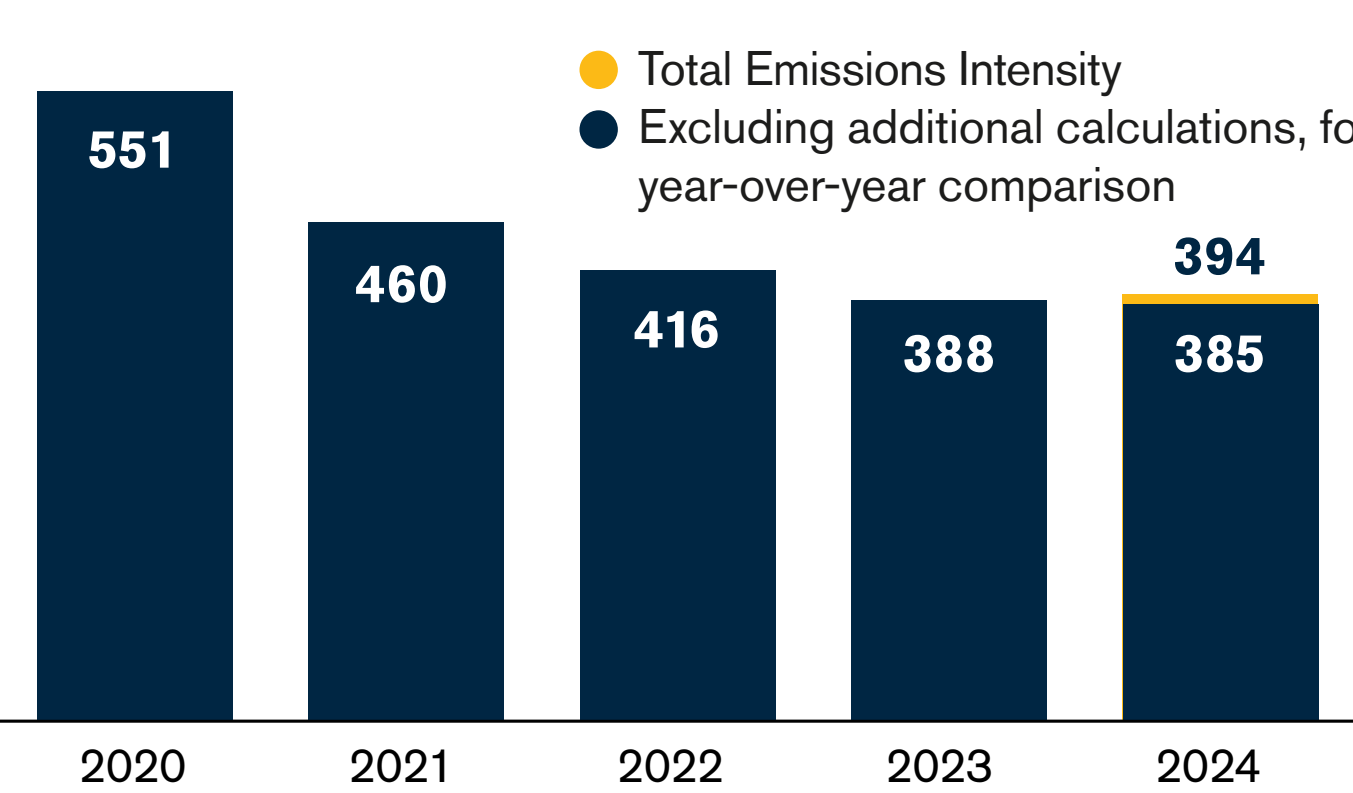
Net Zero 2040

At Ölgerðin, we are committed to becoming a net-zero company by the year 2040. The company will reduce its greenhouse gas emissions as much as possible and offset any remaining emissions with certified carbon credits. This goal will be achieved through the energy transition and by improving company processes in line with the principles of the circular economy — from raw materials and packaging to recycling — with full dedication.

80% Reduction in Operational Carbon Footprint

Ölgerðin has reduced the carbon footprint of its operations (Scopes 1 and 2) by 80% from 2016 to 2024, during a period in which the company’s revenue has grown. Ölgerðin has set an SBTi-validated target of a 42% reduction in Scope 1 and 2 emissions by 2030 compared to the year 2020. When mea-

Revenue Emissions Intensity
Scope 1, 2, and 3 – kg CO₂e per million ISK



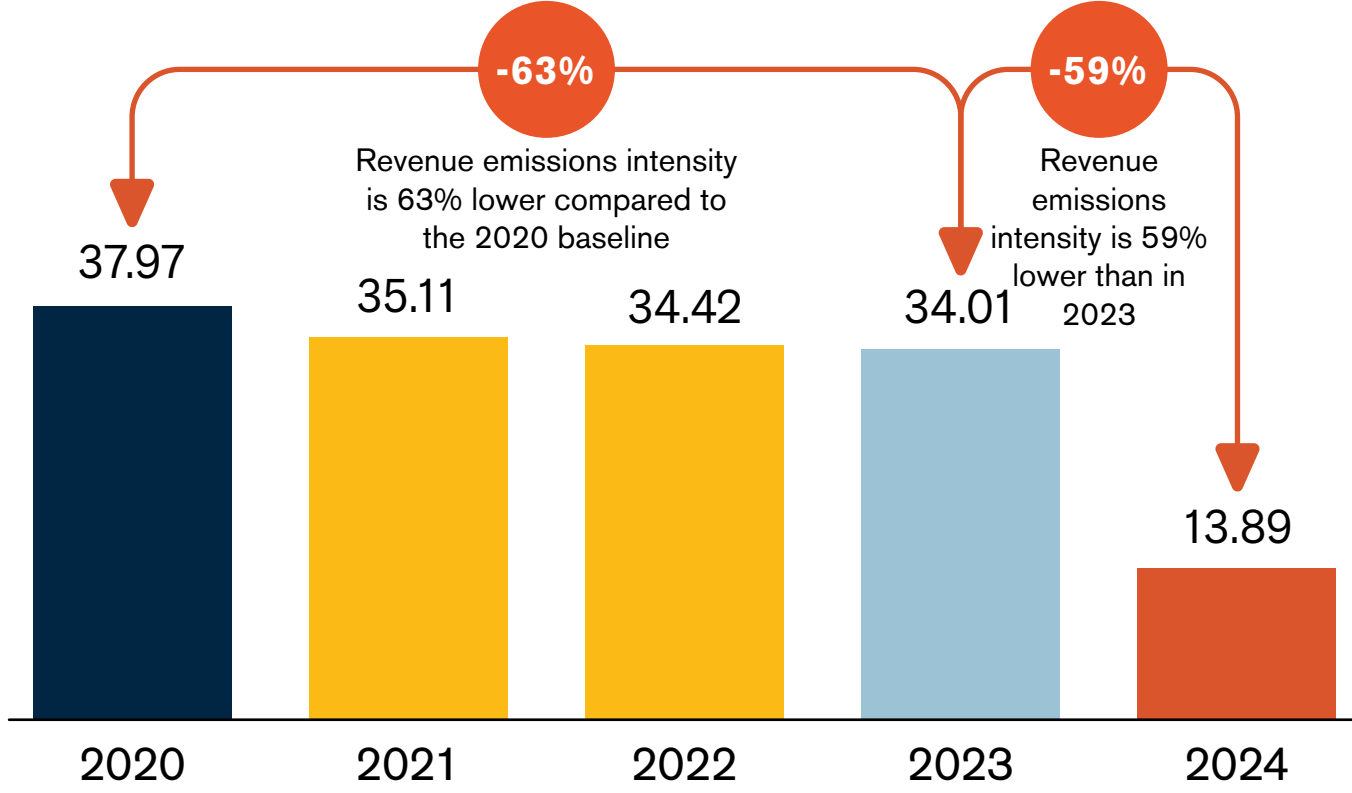
sured against the 2020 baseline, emissions in Scopes 1 and 2 had already been reduced by 57% by 2024, meaning that the company has already met this target.

Carbon Intensity of Revenue

The goal is to reduce the carbon footprint of Ölgerðin’s products. To put this footprint into context, we use carbon emissions per revenue as a key metric. This indicator provides insight into how carbon-intensive the company’s operations are, regardless of size, and helps to compare performance over time and across companies within the same industry.

Ölgerðin measures carbon intensity based on both direct and indirect emissions. It strives to improve this efficiency by reducing energy consumption, optimizing production processes, and utiliz-

Group Revenue Emissions Intensity
kg CO₂e per million ISK for Scopes 1 and 2



ing more environmentally friendly energy sources. Performance is assessed annually and then used to support decision-making and target-setting related to emissions reduction.

Below is an overview of carbon intensity for Scopes 1, 2, and 3. Carbon intensity is presented both with and without additional calculations to ensure year-over-year comparability.

Ölgerðin has set a target in its sustainability policy to reduce the carbon intensity of revenue for Scopes 1 and 2 by 63% compared to the 2020 baseline. In the baseline year 2020, Ölgerðin’s carbon intensity was 37.97 kg CO₂e per million ISK in revenue. In 2024, the carbon intensity for Scopes 1 and 2 was 13.89 kg CO₂e per million ISK, representing a 63% reduction year over year. This means the target has been successfully achieved.

Ölgerðin's Carbon Footprint

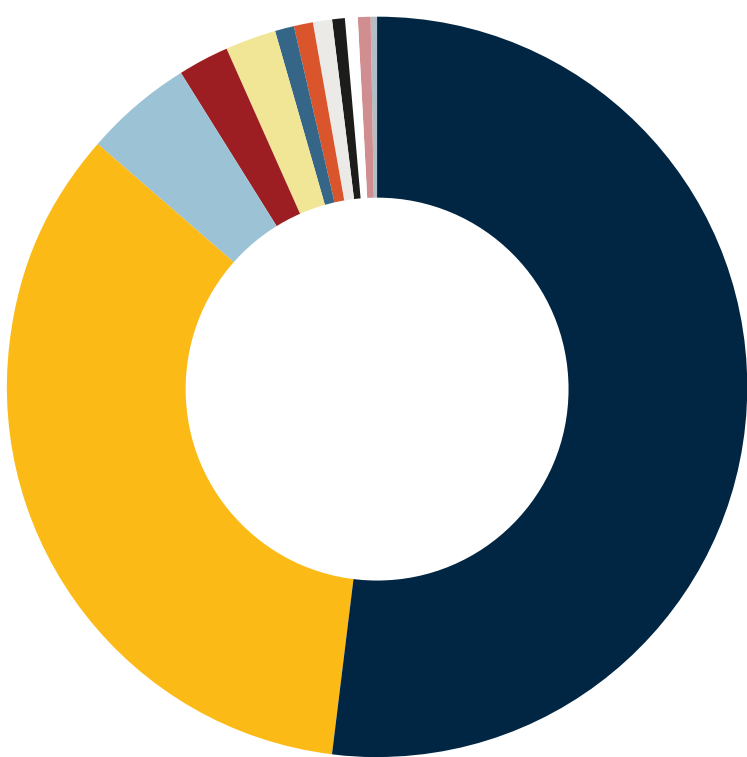
Below is an overview of the company's emissions breakdown, followed by total emissions for Scopes 1, 2, and 3. Scope 1 refers to direct emissions from the company's own operations, such as fuel use and fugitive emissions. Scope 2 covers indirect emissions related to electricity and energy consumption. Scope 3 encompasses other indirect emissions occurring across the value chain.

The reduction in the company's operational carbon footprint (Scopes 1 and 2) reflects the targeted measures implemented in 2023 and the absence of unexpected deviations that had increased emissions that year. For instance, in 2023, a leak in the refrigeration system at Grjótháls contributed to emissions, whereas no such incident occurred in 2024. In addition, a backup steam boiler powered by oil was in use during 2023, but it was replaced. No emissions have been recorded from it since June 2023. This accounts for a significant portion of the emission reduction between 2023 and 2024.

Fugitive emissions in Scope 1 in 2024 amounted to 24 kg of CO₂, originating from the refrigeration system at Köllunarklettsvegur 6. In the

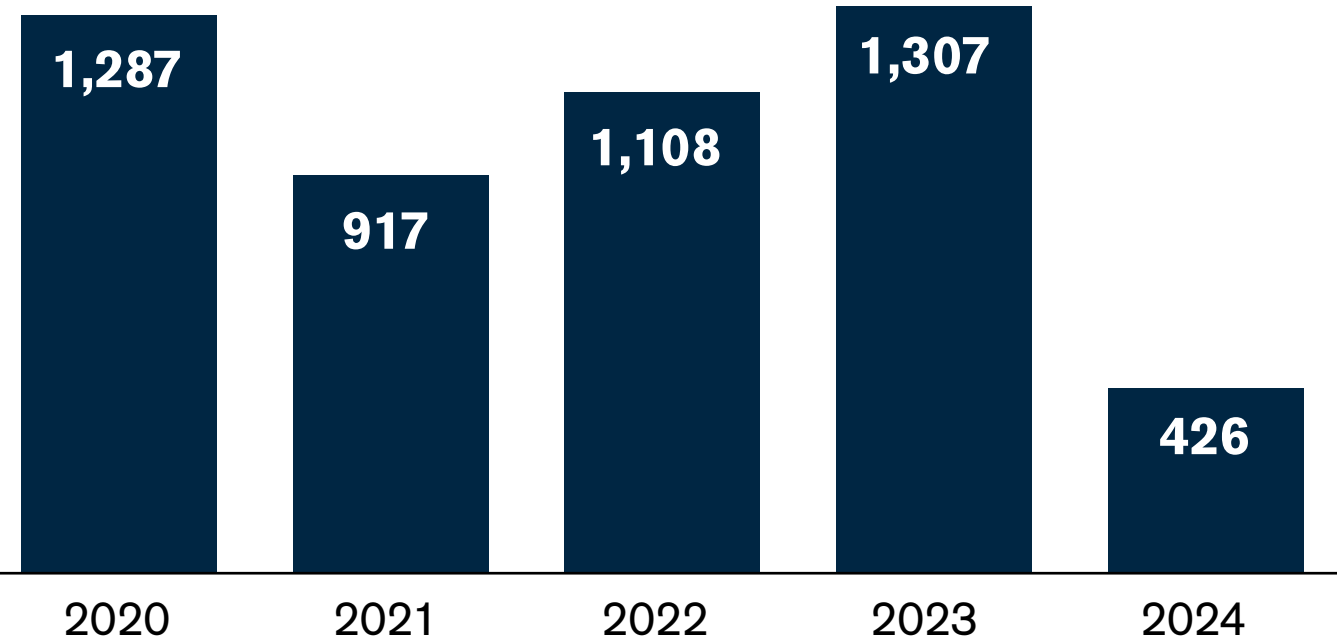
Group's emissions accounting, this rounds to approximately 0 tonnes of CO₂ equivalents. No refrigerant refills have been made to the systems at Grjótháls since 2022. Scope 2 emissions decreased by 27 tonnes of CO₂ equivalents year over year, primarily due to updated emissions factors issued by the Environment Agency of Iceland in August 2024. Ölgerðin has set a goal to better track and reduce indirect emissions in **Scope 3**. For the year 2024, purchased vehicles were added to the Scope 3.2 (capital goods) calculations, resulting in an increase of 362 tonnes of CO₂ equivalents. Purchased vehicles are not calculated retroactively. Moreover, emissions related to electricity use for the warehousing of purchased goods were included under Scope 3.4 (upstream transportation and distribution). This category was calculated retroactively to 2023, resulting in an increase of 6.9 tonnes of CO₂ equivalents in 2024 and 7.4 tonnes in 2023.

The bar chart for Scope 3 shows emissions both with and without these additional calculations to make year-over-year comparisons easier.

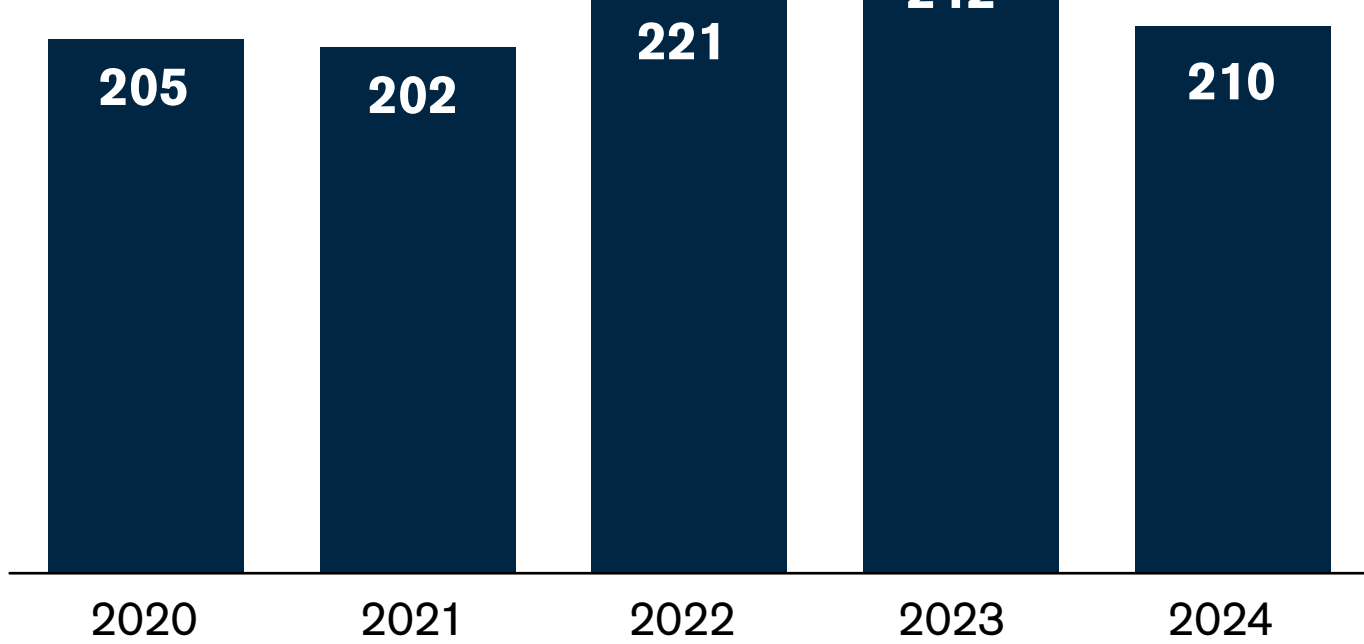


Scope		2024
3.1	Purchased goods and services (packaging and key raw materials)	52.17%
3.4	Upstream transportation and distribution	34.45%
3.12	End-of-life treatment of sold products (packaging recycling)	4.63%
1	Fuel consumption of vehicles	2.35%
3.2	Capital goods (purchased vehicles)	1.98%
3.7	Employee commuting	0.91%
3.3	Fuel- and energy-related activities (not included in Scope 1 or 2)	0.81%
3.2	Capital goods (computers and phones)	0.77%
2	Electricity consumption	0.74%
3.6	Business travel	0.59%
2	District heating	0.42%
3.5	Operational waste	0.16%
1	Stationary fuel combustion (equipment tank)	0.01%

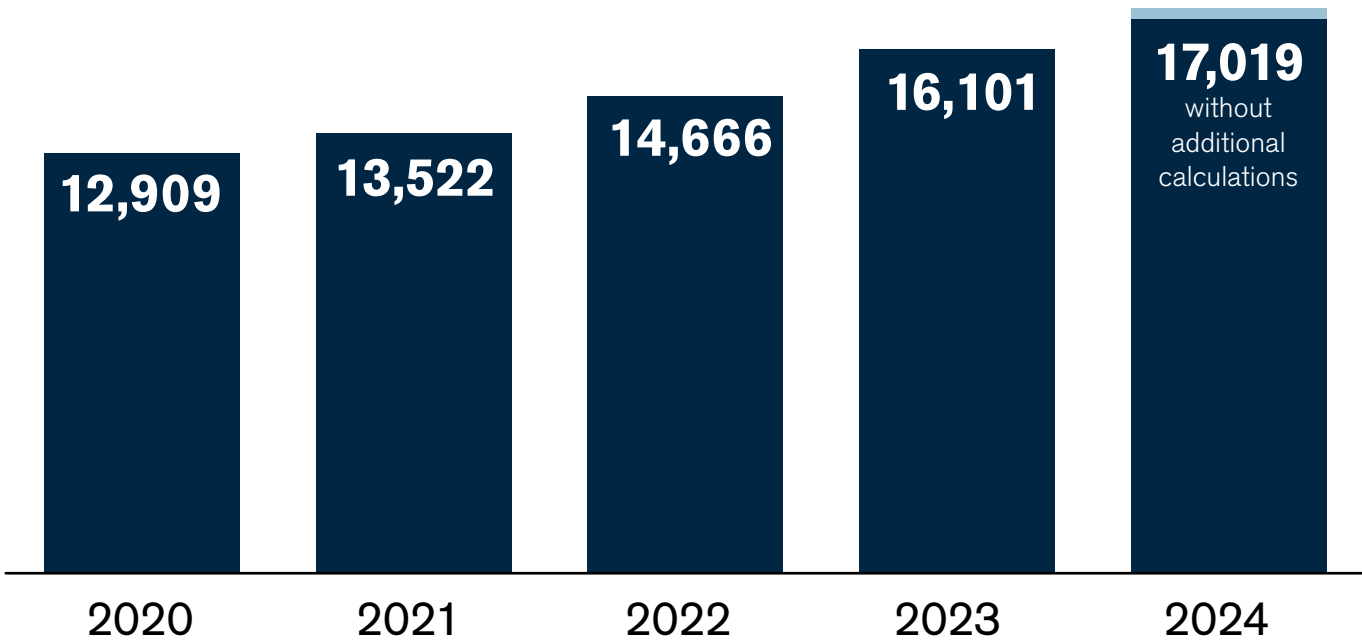
Scope 1 tCO₂e



Scope 2 tCO₂e



Scope 3 tCO₂e

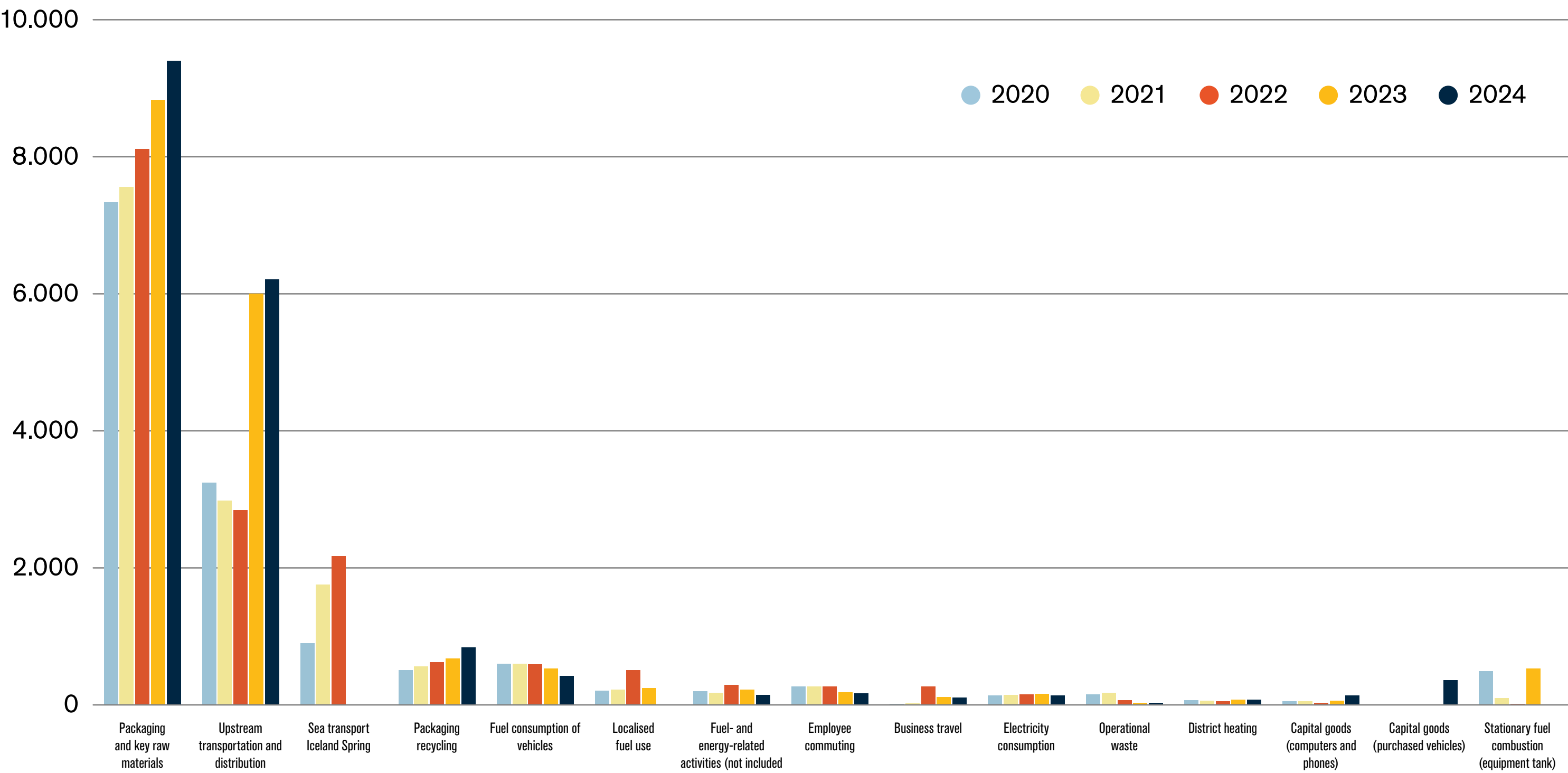


Carbon Emissions Breakdown by year

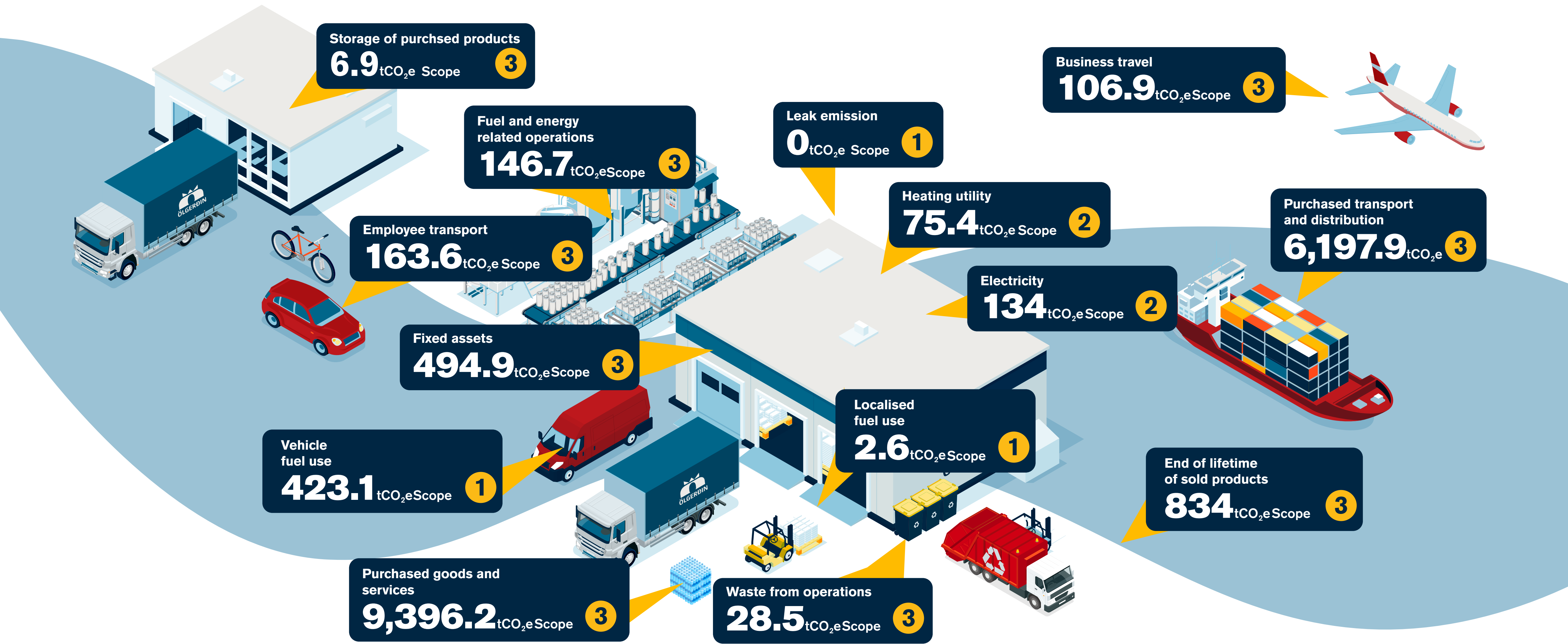
A breakdown of Ölgerðin's carbon emissions and the year-over-year changes is shown below. As expected, emissions from sources such as packaging, raw materials, outsourced transportation, and packaging recycling have increased in line with higher turnover and sales.

Fuel consumption by vehicles has decreased, which can be attributed to the growing share of electric vehicles owned by the company. By the end of 2024, electric vehicles comprised just over 50% of the total fleet, thereby contributing to reduced greenhouse gas emissions from Ölgerðin's distribution system.

Breakdown of volume



Ölgerðin's Carbon Footprint 2024 Scope 1, 2 and 3 (tCO₂e)



Energy and Energy Use in Operations

Ölgerðin has set a goal for all the energy used across the Group's operations to come from renewable sources by 2030. The company uses energy for production, packaging, warehousing, distribution, and property operations. Total energy consumption in 2024 amounted to 27,464,598 kWh.

The majority of electricity used by Ölgerðin comes from renewable sources, such as hydro and geothermal power, which accounted for 93.8% of total energy consumption in 2024. Fossil fuels comprised 6.2% of Ölgerðin's total energy use in 2024. For comparison, the share of fossil fuels was 11.3% the previous year.

Ölgerðin holds certificates of origin from its electricity provider in Iceland, confirming that all the electricity consumed in 2024 came from 100% renewable energy sources.

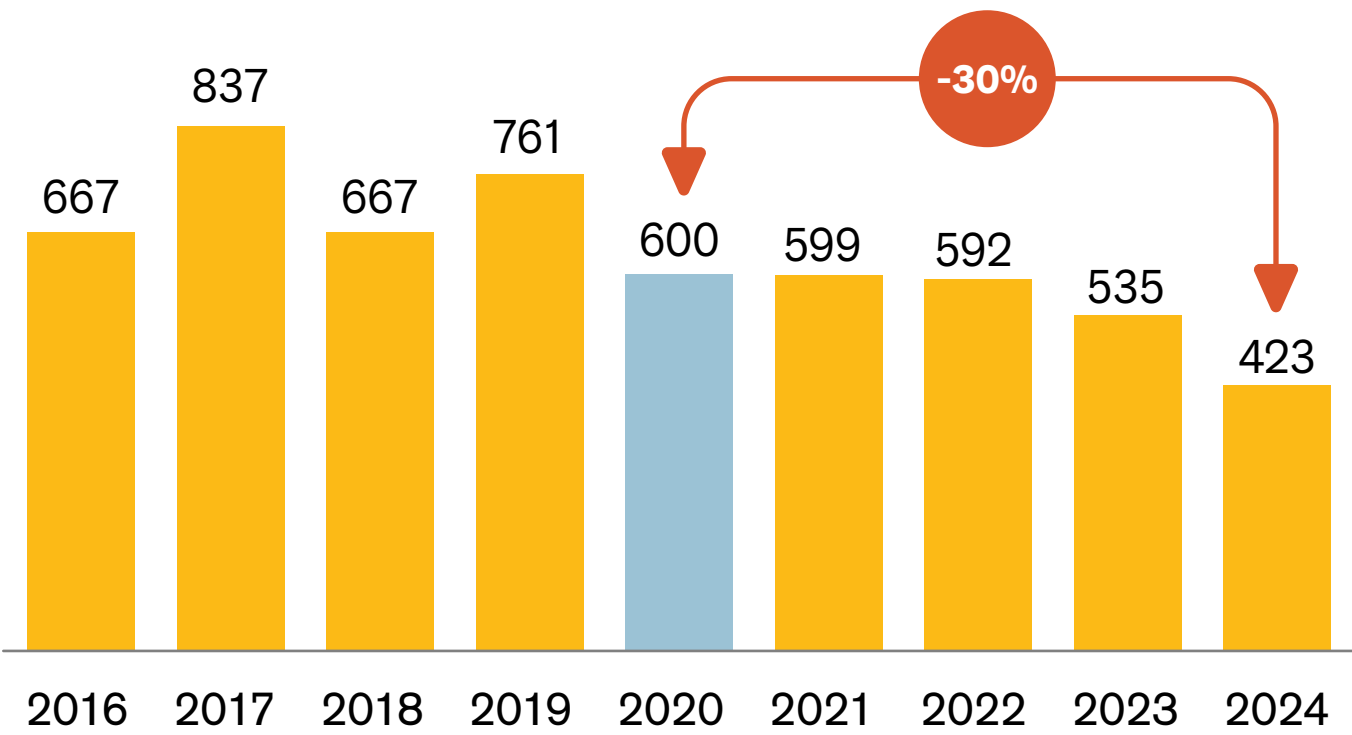
Improved Energy Efficiency

In 2024, the company continued to enhance energy efficiency across its operations by implementing targeted technical solutions. These measures have delivered tangible improvements, particularly within production processes. For example, modifications were made to the air compressor used for blowing plastic bottles, resulting in an estimated energy saving of 15.1 kW at full capacity.

Furthermore, a new keg line replaced older equipment, leading to a significant reduction in steam production. This improvement is reflected in lower electricity consumption and greater efficiency in the heating processes..



Fuel consumption of vehicles tCO₂e



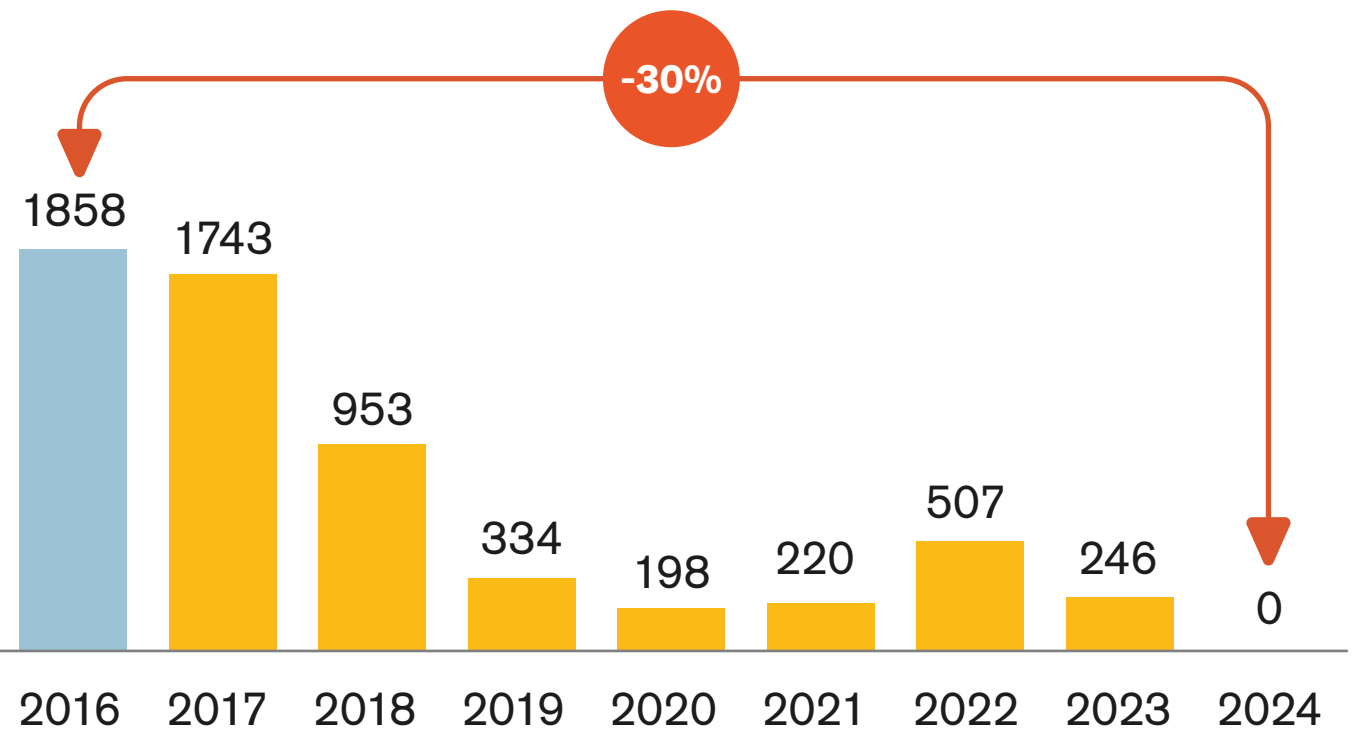
Electrification of the Vehicle Fleet

At the end of 2024, the share of electric vehicles in Ölgerðin's operations exceeded 50%. For comparison, this share was 40% at the end of 2023. In 2023, Ölgerðin received its first electric delivery trucks, marking a milestone in Iceland's energy transition history. In 2024, two additional electric delivery trucks were added to the fleet, contributing to lower emissions in Ölgerðin's distribution network. There are now a total of four electric delivery trucks in operation.

It is projected that, by the end of 2025, 55% of Ölgerðin's delivery truck fleet will be electric, which is equivalent to 6 out of 11 vehicles. During the year, considerable effort went into preparing the infrastructure required to support the future energy needs of these trucks. A new transformer was installed and brought online in mid-2024.

In some cases, residential infrastructure has not kept pace with Ölgerðin's energy transition goals. In recent years, employees have been offered grants for the installation of home charging stations, and the related out-of-pocket expenses have been reimbursed.

Stationary fuel consumption tCO₂e



Electrification in Production

The core of Ölgerðin's beer production is its two steam boilers. In 2016, the oil-fired boiler was the company's largest single source of emissions. By mid-2018, priority was given to using an electric boiler, with the oil boiler kept as a backup. In 2023, a major step was taken with the investment in a new 3MW electric boiler, replacing the previous 1.5MW oil boiler.

Emissions in 2024 reflect the direct impact of this energy transition, which was made possible by the investment in the new electric boiler. This action has led to a significant reduction in emissions under Scope 1. Below is a breakdown of emissions (in tonnes of CO₂ equivalents) attributed to the oil boiler. Stationary fuel use for 2024 amounts to 2.6 tonnes of CO₂ equivalents that stems from the equipment tank.



Packaging and Raw Materials

Improvements in Packaging and Production Processes

Ölgerðin places a strong emphasis on making its packaging as environmentally friendly as possible, in response to changing customer expectations. Key indicators of environmentally friendly packaging include reduced raw material use, the proportion of recycled content, and the recycling rate.

The plastic bottles used in Ölgerðin's production are made from 50% recycled plastic. During the year, the shrink film used to bundle plastic bottles was switched to 100% recycled plastic, up from the previous 50%.

Ölgerðin commissioned EFLA to update its previous life cycle assessment (LCA) on packaging, which is now available on the company's website. The previous LCA was published in 2020, and Ölgerðin's packaging has undergone several changes since then. These include a new type of slimmer aluminum can and lighter plastic bottles with attached caps. The weight of the bottles was reduced by 3.6 to 4.5 grams, depending on the size. With this change, effective from April 2024, 58 tonnes of plastic

were saved by the end of the year, and the estimated annual plastic reduction is 80 tonnes.

In cooperation with its can supplier, Ölgerðin also decided to eliminate the use of shrink film on pallets transporting empty cans to Iceland. Instead of shrink wrap, plastic straps are now used. This change is expected to save approximately 3,660 kg of stretch film annually.

A culture of continuous improvement is deeply embedded in Ölgerðin, with all the employees constantly contributing to enhancements that form the foundation of the company's operations. One example from 2024 is the installation of a new soap dispenser in the company's soft drink and canning area. It allows for the more precise control of the amount of soap used on conveyor belts, saving up to one barrel of soap per week. Each barrel contains 200 kg of soap, equating to an annual saving of approximately 10.4 tonnes.



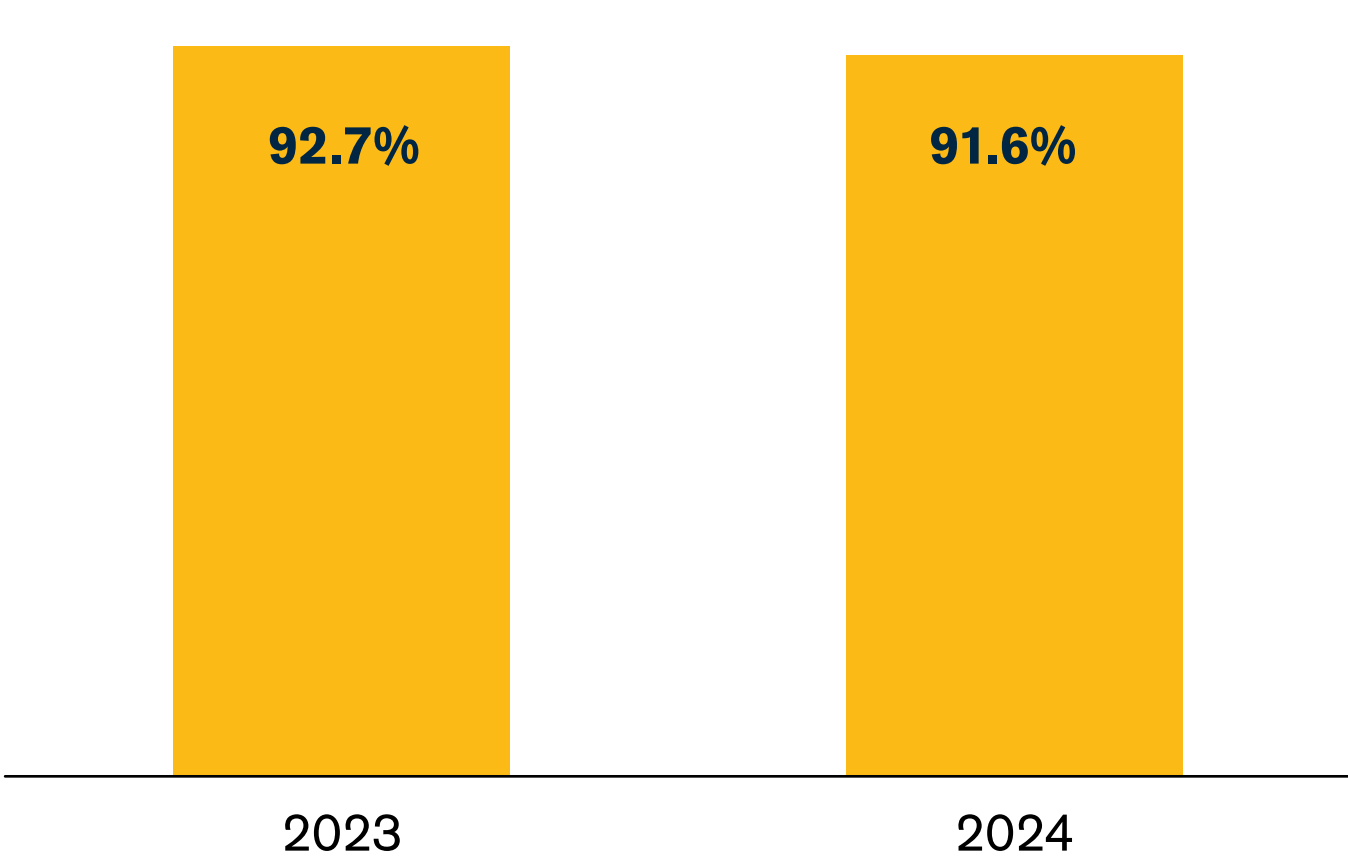
Water Use and Biodiversity

Water is one of the Earth's most vital resources and it plays a critical role in our operations, forming the foundation of Ölgerðin's products. We do not take water for granted. We treat it as a precious and limited natural resource that must be used responsibly. In 2024, Ölgerðin's total water consumption amounted to 315,425 m³ of cold water and 173,643 m³ of hot water.

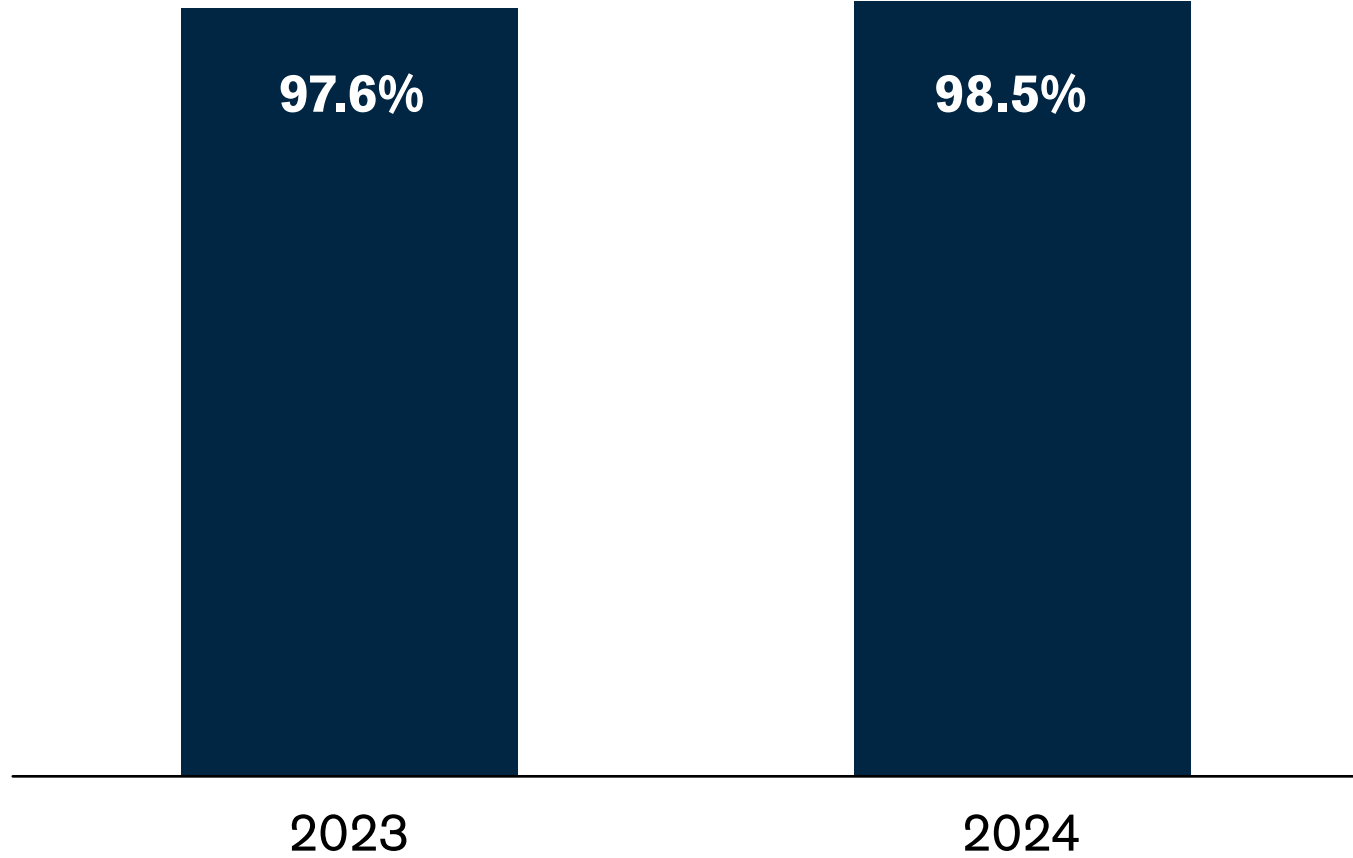
We are aware that water usage and other resource consumption can impact biodiversity and may also pose a long-term risk to product availability. That's why we emphasize working with suppliers that consider the environmental impacts, and we conduct regular supplier assessments.



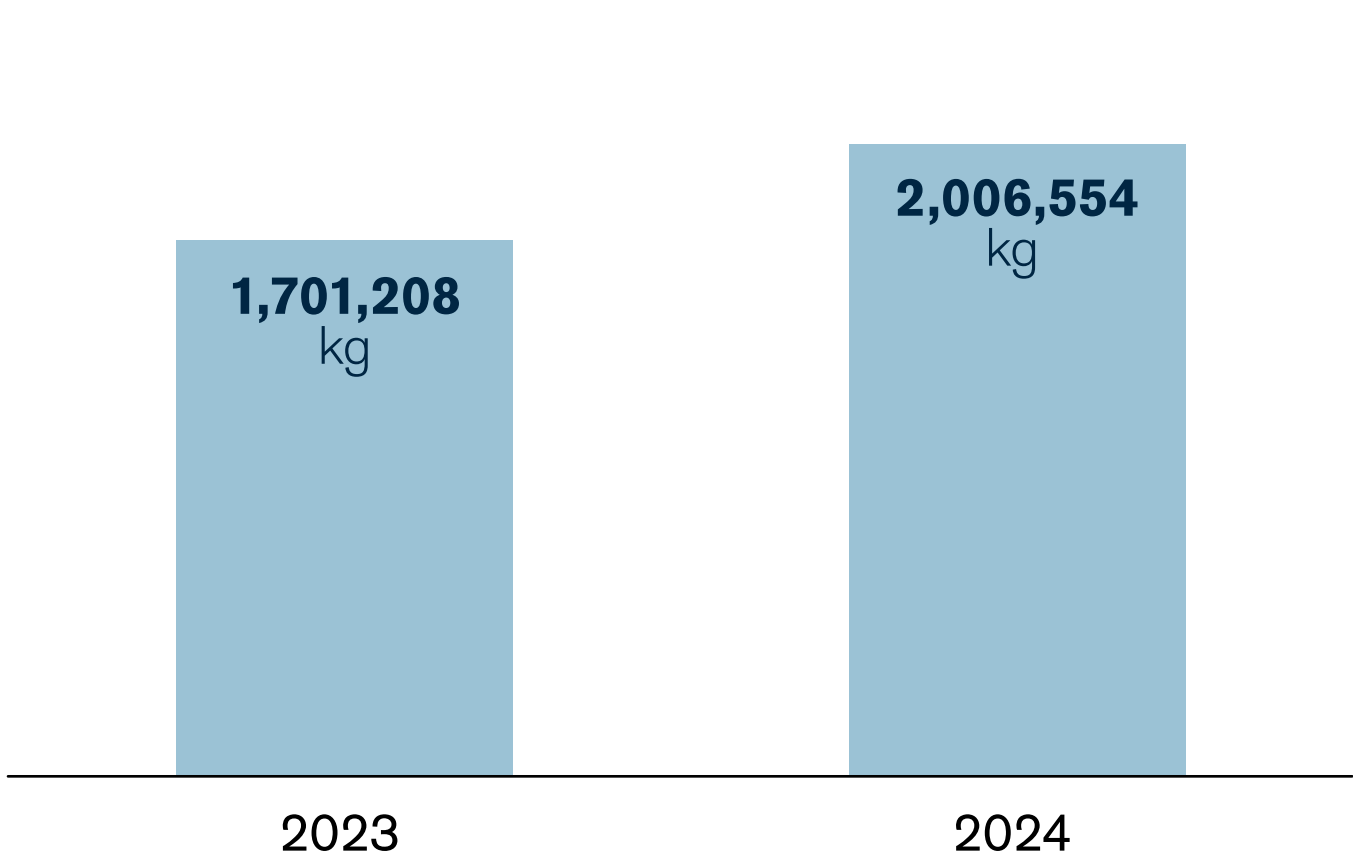
Waste sorting rate



Waste recycling rate



Total amount of waste



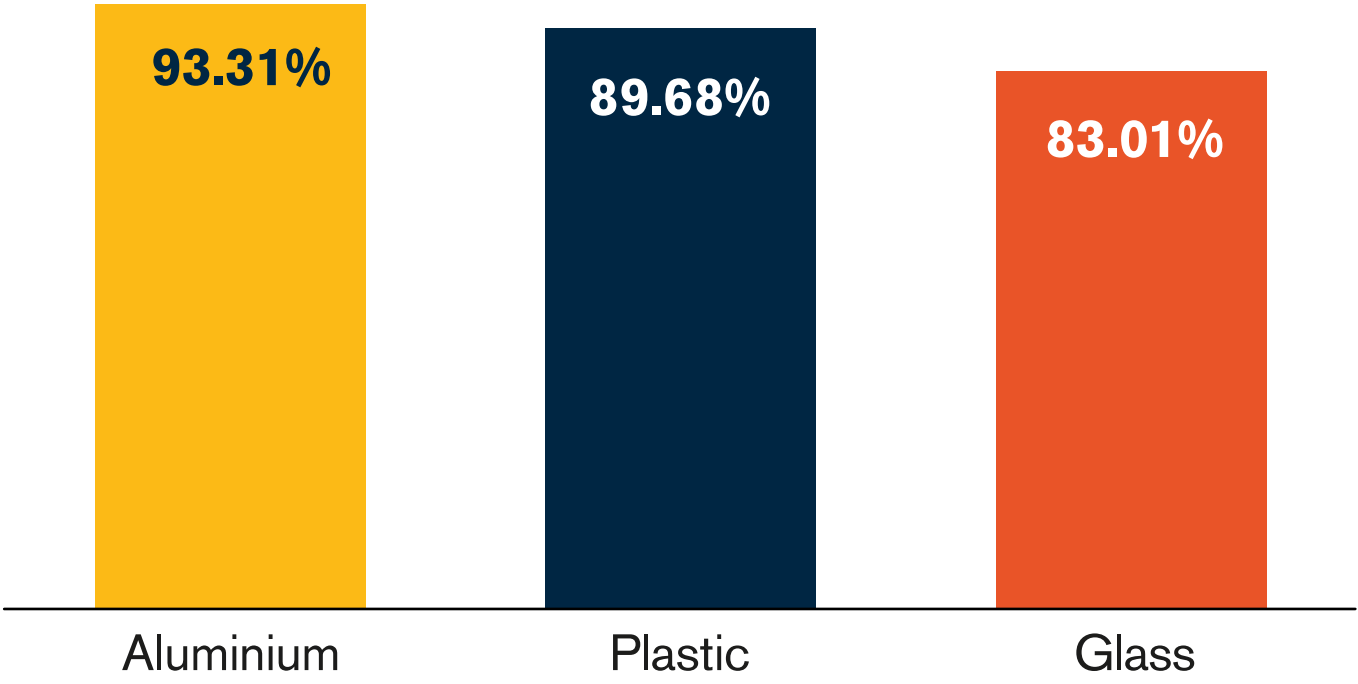
Resource Use and the Circular Economy

Recycling Rate

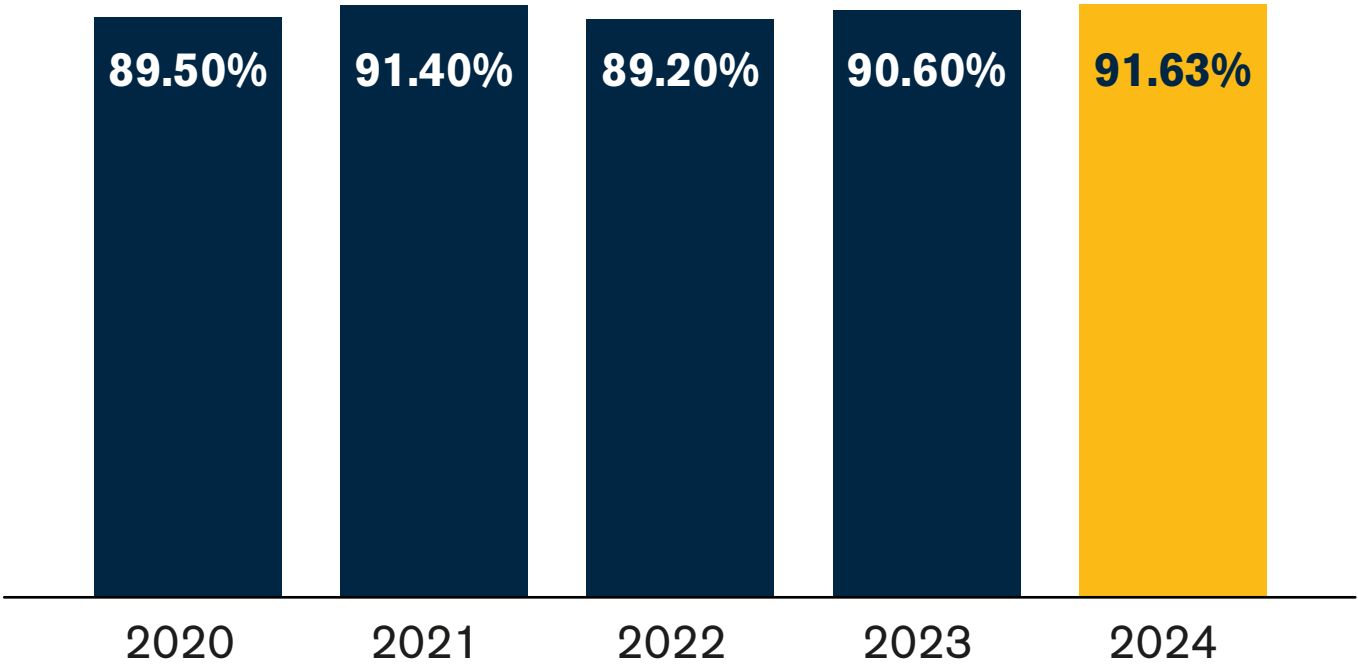
Ölgerðin has set a goal to reach a 99% recycling rate by 2030. The company is continuously working toward this goal by improving infrastructure, educating employees, and exploring new ways to maximize waste sorting. While the total amount of waste has increased year-over-year, the recycling rate has slightly decreased. However, the proportion of waste sent for recycling has risen, indicating a positive development in waste management despite the increase in activity.

We are constantly looking for ways to reuse materials and reduce waste. All the boxes received by the company are reused in our own deliveries. For instance, we reuse the outer and inner boxes that come with Oroblu tights. Larger boxes are well-suited for bulk orders, while smaller boxes are ideal for small shipments. We see potential in every box and we are committed to giving packaging a new life.

Return rate in 2024



Total return rate over the years



Packaging Recycling

Ölgerðin is one of the owners of Endurvinnslan, which plays a key role in giving beverage packaging a second life. It is essential that single-use beverage containers are returned for recycling to ensure that they have the chance to be reused. Endurvinnslan handles the collection of all single-use beverage packaging in Iceland and sells it for recycling.

The return rate was 91.63% in 2024.

Emissions from packaging recycling are accounted for in Scope 3, Category 12 (end-of-life treatment of sold products) in the Group's sustainability reporting.

Coffee Capsule Recycling

Ölgerðin and Danól import around 16 million coffee capsules per year. In 2023, a new collection and recycling system for coffee capsules was established, offering a more environmentally friendly solution than previously available in Iceland. Used capsules can be returned at 19 collection points across the country.

During the year, the coffee capsule recycling line at Íslenska Gámafélagið was upgraded with new equipment. The capsules are pre-processed at Íslenska Gámafélagið, where they are shredded and the coffee grounds separated. The coffee grounds are sent to the GAJA composting and biogas plant, where they are converted into fertilizer. Other alternative uses for the grounds are currently being explored. The metal components are sent for metal recycling.

Year	Coffee capsule return rate
2023	215 kg
2024	10,612 kg

Emissions from the recycling of coffee capsules are accounted for under Scope 3, Category 12 (end-of-life treatment of sold products) in the Group's sustainability reporting. Further information about the project can be found at kaffihylki.is.

Reducing Food Waste in E-Commerce

One of the company's goals is to reduce food waste. On the homepage of Danól's online store, a subsidiary of Ölgerðin, special attention is given to promotional items. To minimize waste and optimize inventory use, products are offered at discounted prices before their expiration dates, preventing disposal. In 2024, 44,663 units were sold through these special offers, equivalent to 257 tonnes of goods.

3.

Social Factors

Human Rights	31
Employee Well-being and Skills Development	32
Job Satisfaction	32
Career Development and Education Levels	32
Diversity	33
Diversity Policy	33
Gender Balance	34
The Equality Scale	35
Equality and Diversity	35
Icelandic Language Instruction for All – Bara tala	35
Health and Safety of Employees	36
Zero-Injury Policy	36
Health-Promoting Workplace	36
Training and Development	36
Job Exchange	37
Human Rights in the Supply Chain	37
Supplier Assessment	37
Consumer Health and Safety	38
Healthier Choices	38
Icelandic Ingredients	39
Responsible Marketing Practices	40
Product Quality, Safety, and Social Responsibility	40
Responsible Marketing	40
Community Support	40

Ölgerðin's employees are among the company's most valuable resources. They are not only responsible for creating real value within the company, but their dedication and initiative have ensured that customers have continued to choose Ölgerðin's products for over a century. Therefore, it is a priority for Ölgerðin to ensure that its employees feel well at work and grow in line with the company's success.

Ölgerðin employs a diverse group of individuals with different backgrounds, experiences, and cultures. At the end of 2024, the company had 400 full-time equivalents, with employees representing 17 nationalities. The average age of the employees is 38, and the average length of employment is six years.

Human Rights

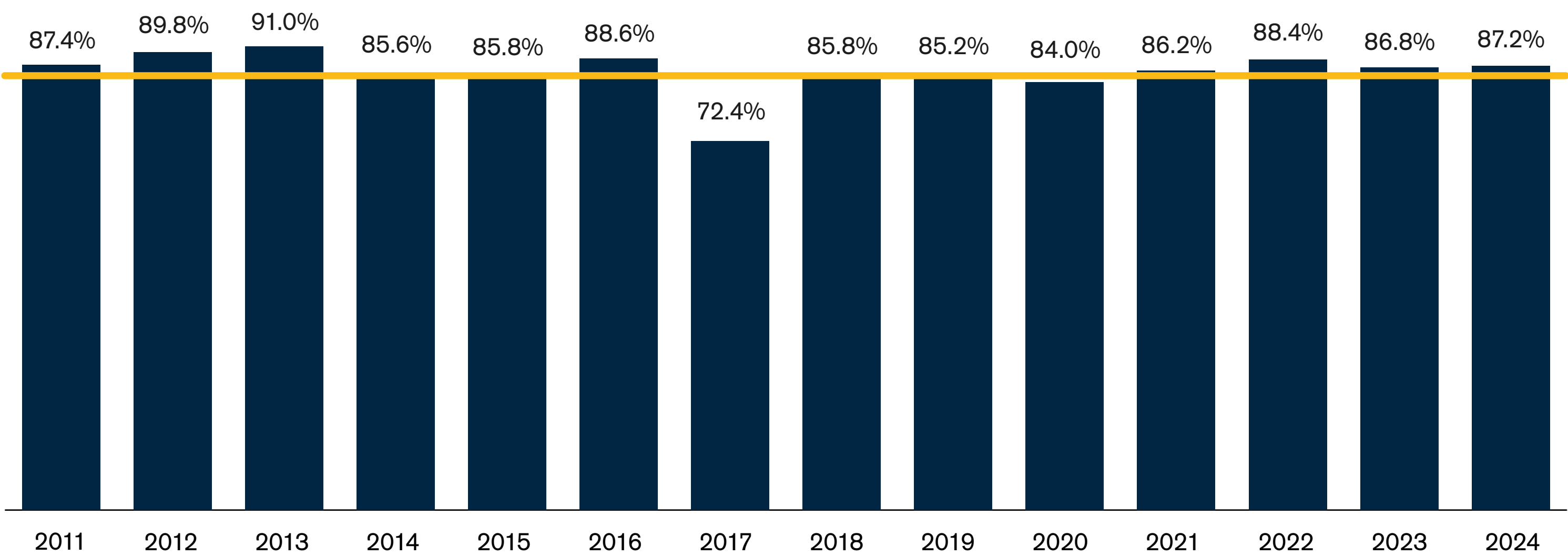
Ölgerðin follows a human rights policy, which is published on the company’s website. The company supports and respects human rights in line with international agreements, such as the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Ölgerðin adheres to the 10 principles of the UN Global Compact, having signed its commitment to the initiative. Two of these principles relate to human rights: The company supports and respects the protection of internationally proclaimed human rights and ensures that it is not complicit in human rights abuses.

Ölgerðin conducts supplier assessments and requires that its business partners comply with all the laws and regulations in the countries in which they operate. Furthermore, the company requires compliance with key international human rights agreements, such as the UN Convention on the Rights of the Child and the ILO Declaration on Fundamental Principles and Rights at Work.



Job Satisfaction



Employee Well-being and Skills Development

Employee well-being and skills development are material topics for Ölgerðin, as the company’s success and sustainability rely on skilled and engaged employees. It is important to create a safe and supportive work environment where employees have the opportunity to grow and develop. This includes both physical and mental health as well as formal and informal learning and development.

By emphasizing well-being and skills development, we contribute to increased job satisfaction, lower employee turnover, and improved performance – all of which support the long-term goals of the company.

Job Satisfaction

Ölgerðin's greatest asset is its people, and employee satisfaction is monitored through regular surveys conducted by an independent third party. The results are used to inform improvement efforts. These surveys are conducted four times a year. Since 2021, Ölgerðin has consistently achieved its target of 85% employee satisfaction, confirming the success of focused efforts to build a strong workplace culture.

Career Development and Education Levels

Efforts have been made to map the education levels of employees in order to improve oversight and better identify opportunities for professional development. With this information, we can provide more targeted support to employees along their professional journeys.

Ölgerðin is a diverse — and, above all, enjoyable — workplace where people from different backgrounds and with various types of education come together. Among our employees are bakers, waiters, chefs, beauticians, professional drivers, business graduates, engineers, psychologists, biomedical scientists, food scientists, political scientists, DJs, and brewmasters.

The jobs are as diverse as the people performing them, and many do not require formal education. To support personal and professional growth, Ölgerðin offers education grants as part of its career development and continuing education policy.

Ölgerðin emphasizes creating opportunities for employees to grow in their roles, move between positions, and advance within the company. In 2024, nine individuals took on new roles or further developed within their current ones.

Diversity

A diverse workplace is a healthy workplace. Ölgerðin aims to attract the most qualified people through an encouraging and inclusive corporate culture that prioritizes equal opportunities. A diverse workforce brings broader perspectives, better identifies customer needs, and tailors services more effectively. Diversity leads to better results and makes Ölgerðin a more attractive employer.

Diversity Policy

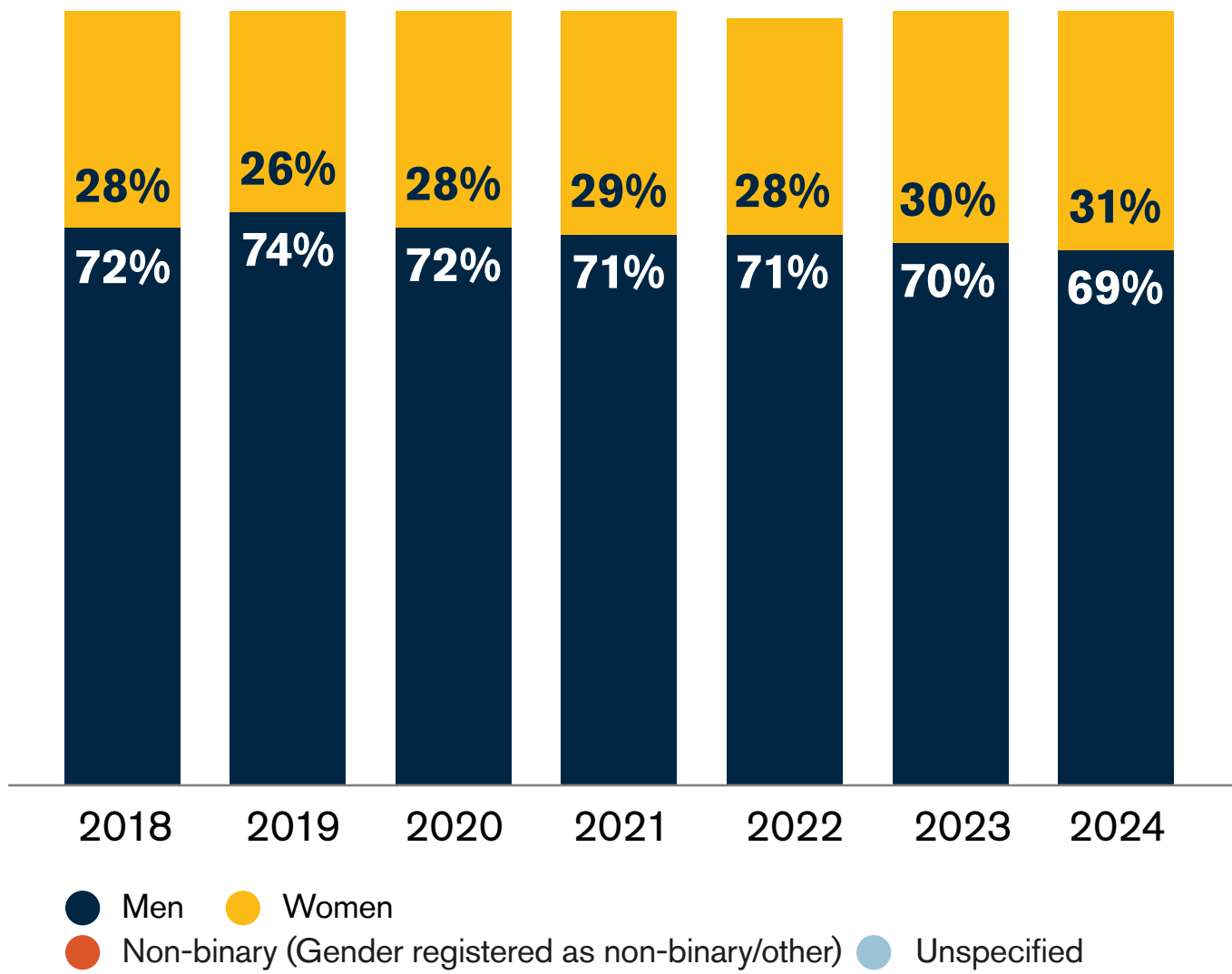
At Ölgerðin, we have implemented a policy on diversity and equality. We are committed to continuous improvement in the areas of equality and diversity across the company. The goal of the policy is to ensure equal status and opportunities for all employees — regardless of gender, age, or origin — and to prevent unjustified wage differences. Our ambition is to be a desirable workplace in the eyes of our current and potential employees as well as a role model in diversity for other companies.

Article 3 – Policy Objectives

At Ölgerðin, we are dedicated to ensuring equality among our employees by actively working to:

1. Ensure that women, men, and individuals registered with a neutral gender marker in the national registry receive equal pay and benefits for the same or equivalent work. Equal pay means that compensation is determined in the same way for all individuals, regardless of gender, and the criteria used for setting salaries must not result in gender-based discrimination.
2. Guarantee that all jobs are open to people of all genders.
3. Balance gender representation and increase diversity within the company, including within specific groups and departments.
4. Proactively combat bullying, gender-based violence, and gender-based and sexual harassment in the workplace.
5. Strengthen education and awareness among all employees about gender equality and the challenges faced by minority groups.
6. Ensure that all employees have equal access to continuing education and job training.
7. Increase flexibility and support a healthy work–life balance.
8. Promote a culture of equality so that all the employees feel welcome and included.
9. Ensure that Ölgerðin’s advertising and marketing reflect a modern perspective on gender equality. Marketing materials must not diminish, insult, or contradict the principle of gender equality in any way.

Gender Distribution Over the Past Seven Years

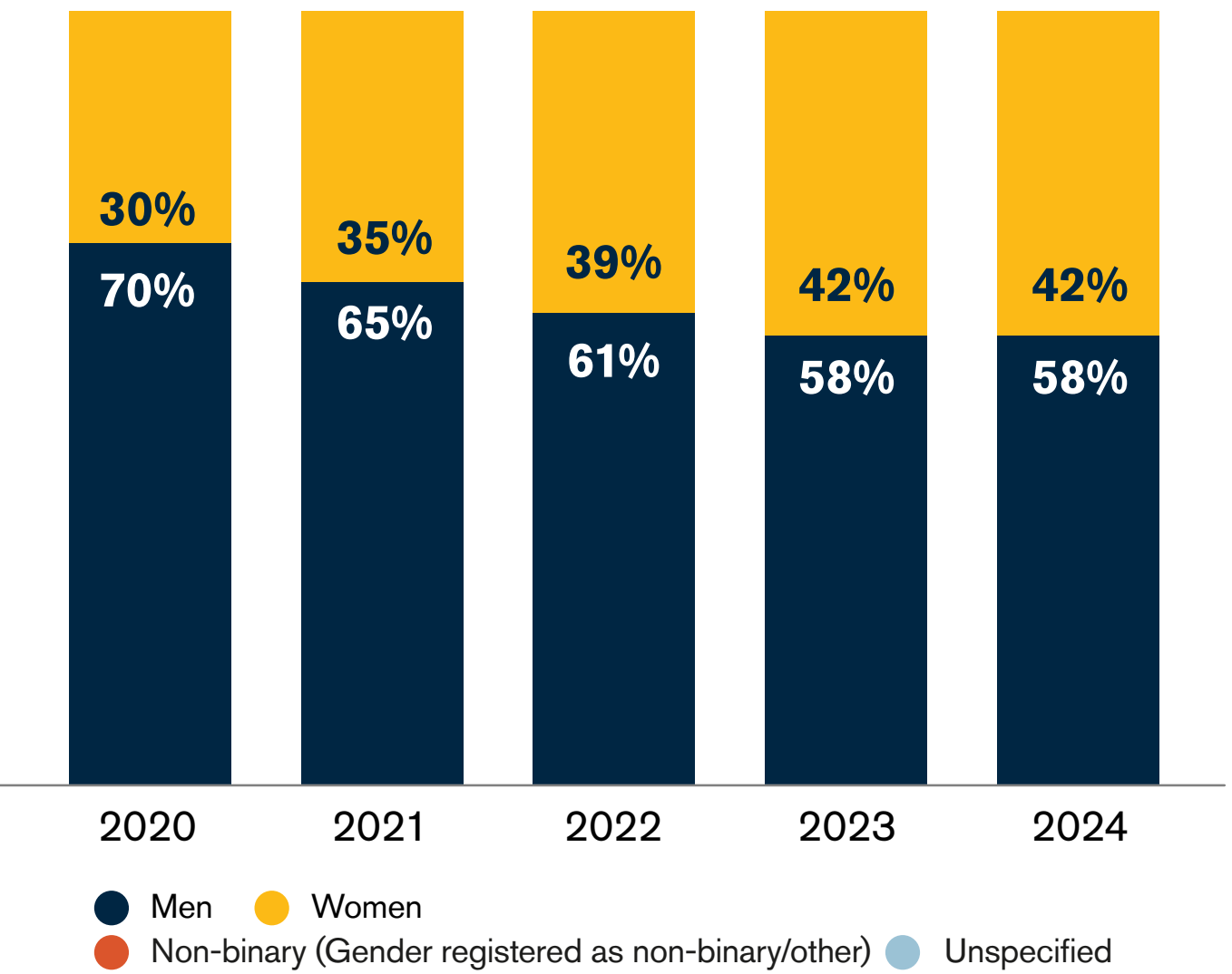


Gender Balance

Those who identify as men have historically been in the majority at Ölgerðin, particularly in production and warehouse operations where their representation is high. Men also show greater interest in positions at the company, based on the number of job applications received.

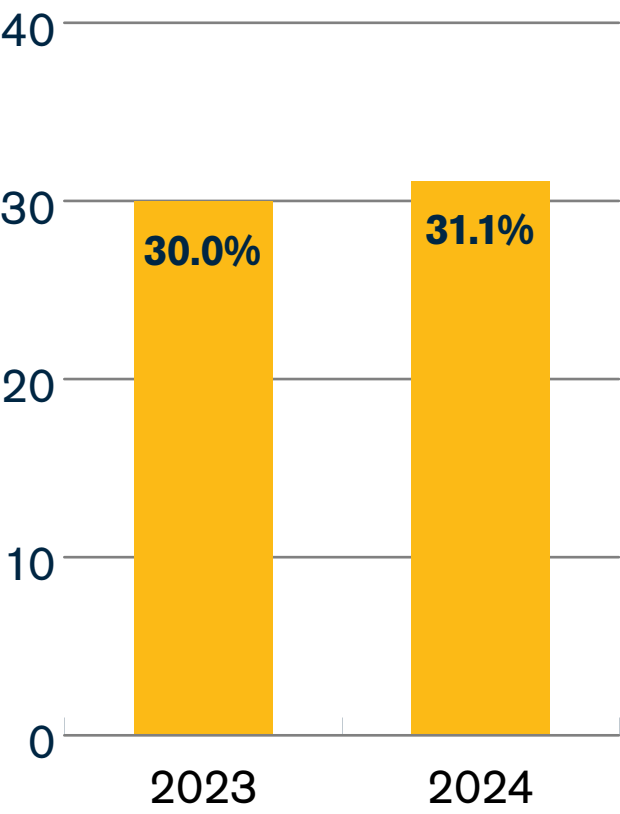
A few years ago, the gender balance among middle managers mirrored that of the company overall. Since then, there has been a positive shift. In 2020, 30% of middle managers were women, and that figure has now increased to 42%. This development aligns with Ölgerðin’s goal to promote gender balance and provide more opportunities for women within the company to advance into leadership roles.

Middle Management

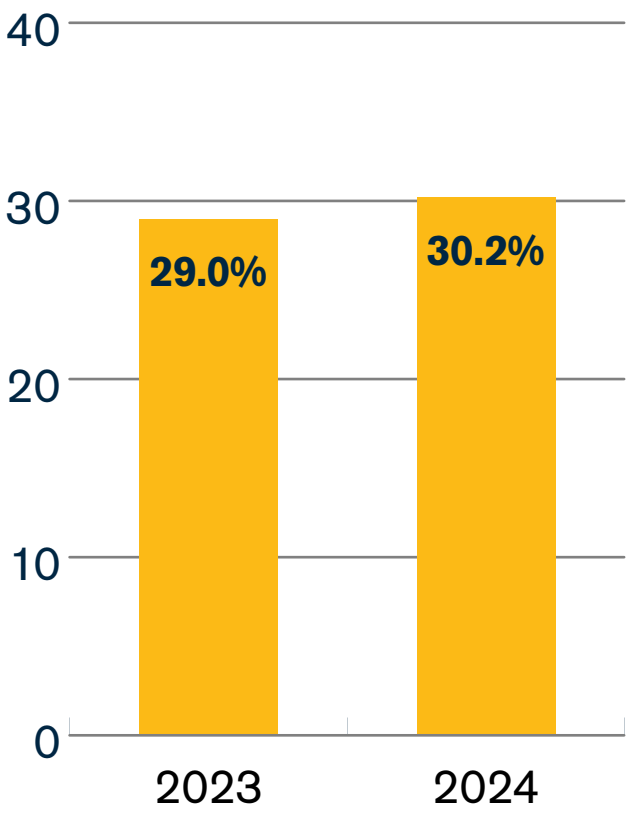


Gender Diversity

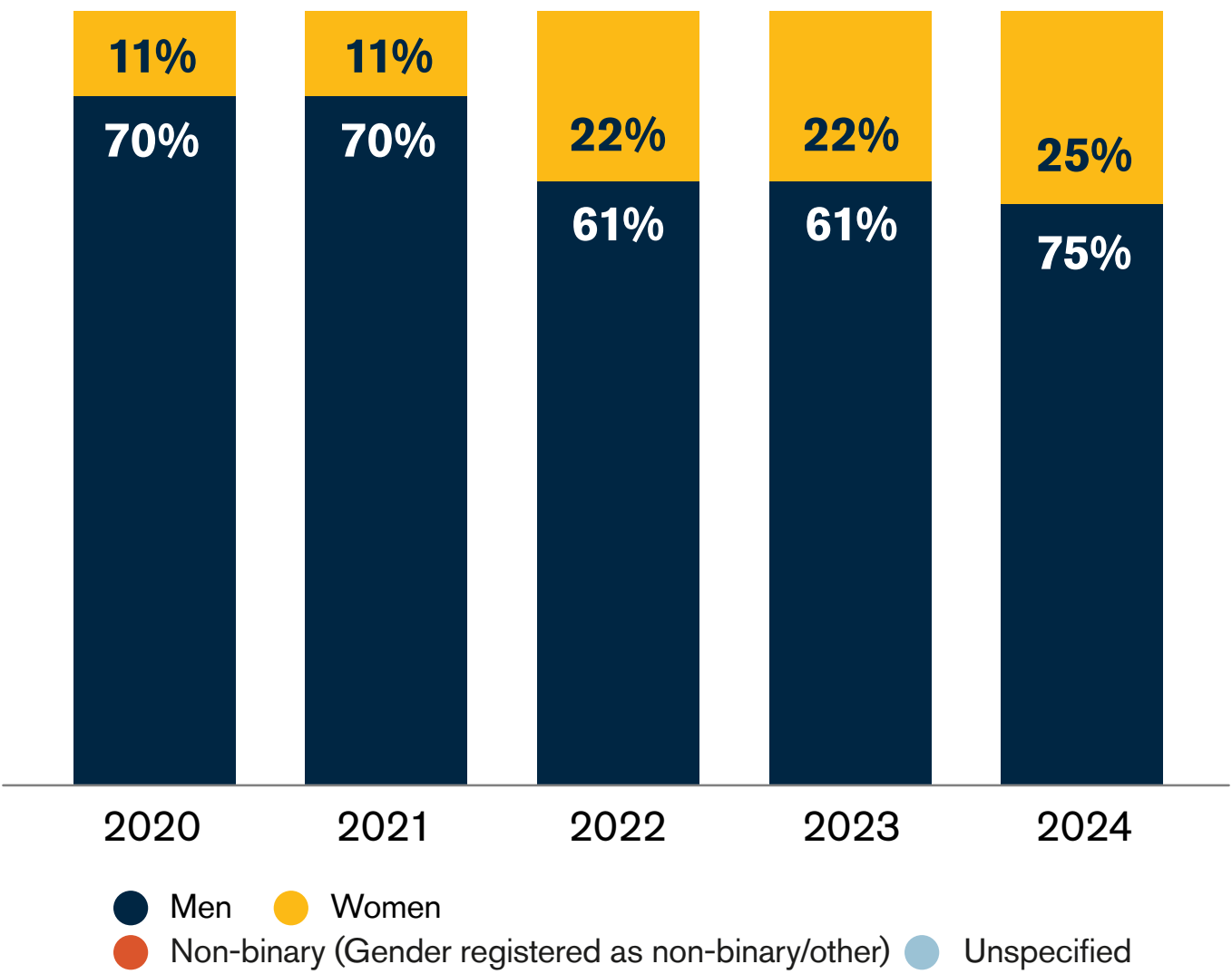
Proportion of women in the company



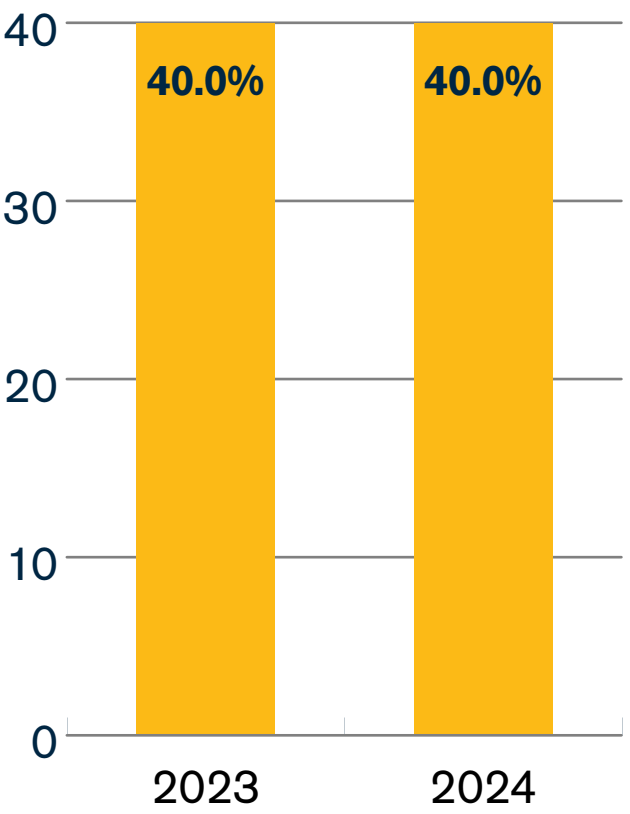
Proportion of women in entry-level roles and the next level above



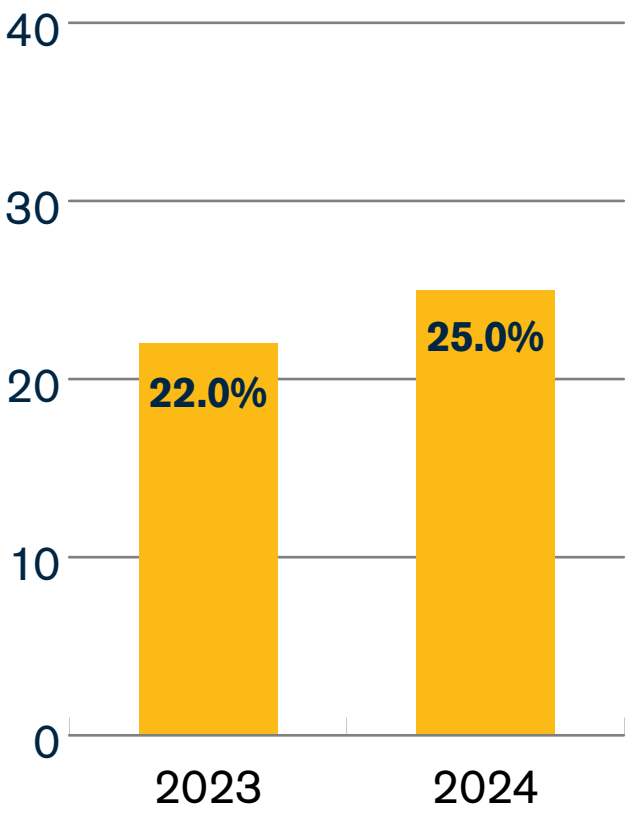
Executive management



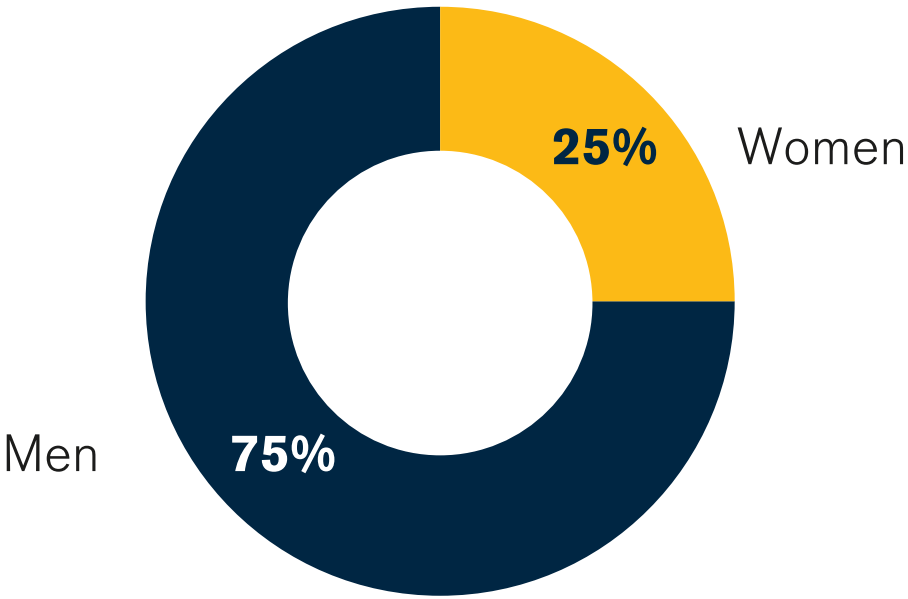
Proportion of women in supervisory and management positions



Proportion of women in executive management



Gender ratio in executive management in 2024



The Equality Scale

At Ölgerðin, we have signed a declaration of intent to support Jafnvægisvogin (The Equality Scale) and are thereby committed to helping balance the representation of men and women in executive management teams across Icelandic companies. The goal of the initiative is to improve the gender balance at the highest levels of corporate leadership in Iceland, aiming for a 40/60 gender ratio in executive teams by 2027.

We also commit to participating in the implementation of gender quotas in the management of limited liability companies, as outlined in Act No. 13/2010. We pledge to work toward the goals of Jafnvægisvogin, support the collection of reliable data, and take part in surveys related to the current state of gender equality in executive leadership.

Equality and Diversity

Ölgerðin has been certified as an LGBTQ+ inclusive workplace by Samtökin '78 and works systematically to create a safe and inclusive work environment for all. In 2024, Ölgerðin submitted an ambitious equality and diversity policy to the Directorate of Equality for the period 2024–2027.

The policy emphasizes strengthening a culture of equality, increasing education, and raising awareness among employees about the importance of diversity and the challenges faced by different groups. Efforts are being made to balance the representation of women within the company, promote a gender-neutral approach, and ensure that everyone — regardless of gender, sexual orientation, origin, or ability — feels welcome.

As part of this work, various initiatives have been implemented, including training sessions, access to gender-neutral restrooms, and improved facilities in changing rooms. Through these steps, Ölgerðin aims to build a workplace where respect, equality, and diversity are core values.

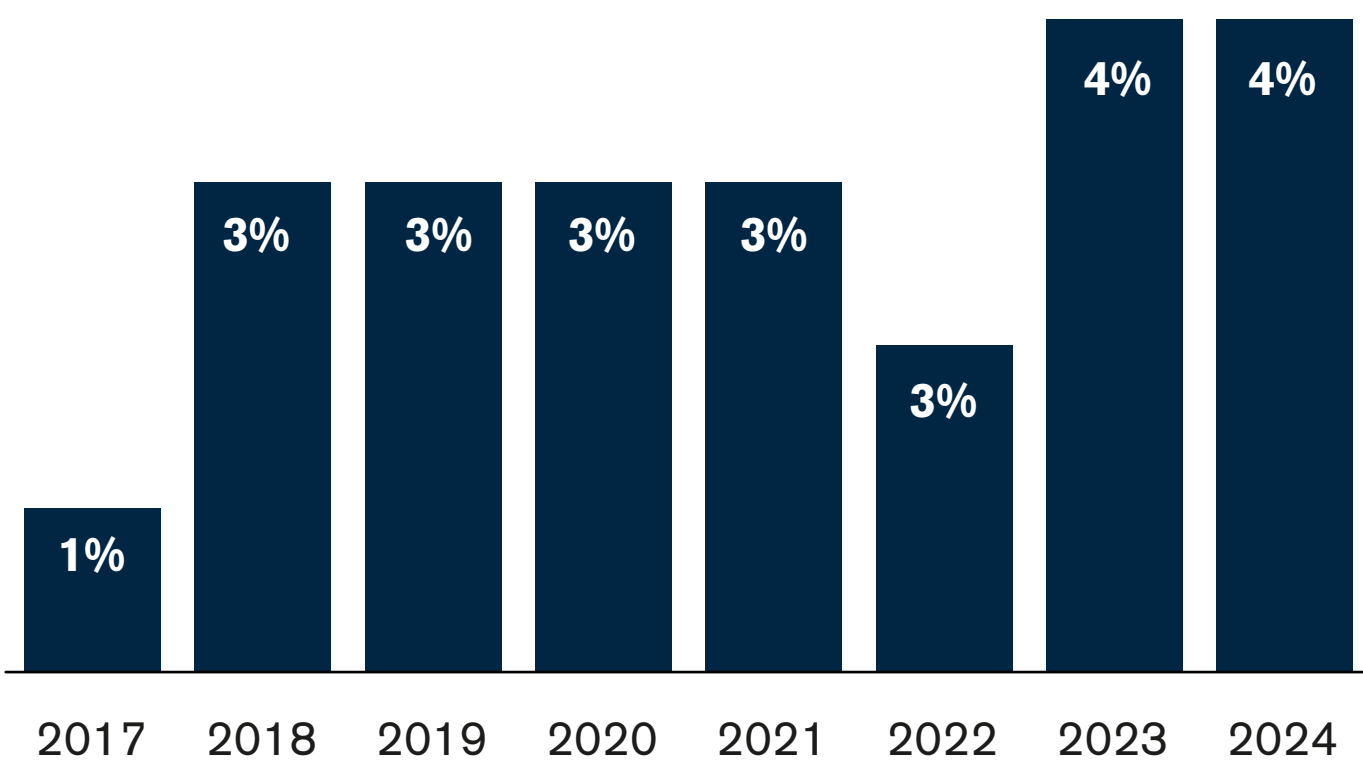
Icelandic Language Instruction for All – Bara tala

We have placed a strong emphasis on making Icelandic learning more accessible and relevant to the needs of our employees. For this reason, Bara tala was introduced in 2024. Bara tala is a digital Icelandic tutor in the form of an app that uses AI and Icelandic language technology. The course is tailored to Ölgerðin's work environment, focusing on practical vocabulary, visual cues, and support for listening and memory.

The company strives to distribute all the relevant content in both Icelandic and English. During our employee day, *Já dagurinn*, interpreter services are offered to ensure that everyone can participate actively.

Health and Safety of Employees

Total number of accidents as a percentage of the total number of employees



Zero-Injury Policy

At Ölgerðin, we maintain a policy focused on achieving a zero-injury workplace, with employee safety as a top priority. Through preventive education, robust onboarding for new employees, state-of-the-art equipment, safe working conditions, and reliable procedures, every effort is made to prevent accidents.

A health and safety specialist oversees safety matters within the company. Ölgerðin also has a safety committee that addresses issues related to prevention, working conditions, hygiene, and overall workplace safety. If an accident occurs, it is logged and analyzed, and appropriate improvements to facilities or procedures are made to prevent recurrence.

The company also tracks so-called “almost incidents”, allowing employees to report and suggest improvements that help prevent future accidents.

At Ölgerðin, even one accident is one too many, and the company remains committed to the zero-accident goal. Reaching and maintaining this goal is an ongoing effort — and safety, along with the cultivation of a strong safety culture, will always remain a central focus for the company.

Health-Promoting Workplace

Employees at Ölgerðin are encouraged to prioritize their health in various ways. They are offered a health grant to help cover costs related to physical or mental well-being. In addition, employees who commute using environmentally friendly transport can benefit from a transport agreement.

Each year, a Health and Safety Week is held to raise awareness about the importance of good health and safety. The week includes a variety of events, such as sports activities, lectures, and workshops. Ölgerðin aims to tailor the format and schedule to suit the needs of as many employees as possible, offering health-focused meals, services, and free health screenings for all employees during the week.

Ölgerðin has a partnership with Heilsuvernd, which is a certified provider of comprehensive health and occupational safety services. Heilsuvernd’s services include absence tracking, advisory support for employees, occupational health services, medical consultations, and general welfare support.

Heilsuvernd’s role includes registering employee illnesses and assisting in resolving health-related issues. It provides guidance during sickness and helps employees navigate the healthcare system. Employees continue to consult their general practitioners for treatment. The recordkeeping offers insight into absences across different departments, allowing comparisons between departments or between Ölgerðin and other companies. These records are useful for analyzing workplace safety and conditions.

Training and Development

Training and development are key to ensuring employees feel fulfilled and have opportunities to grow within the company. Ölgerðin emphasizes structured training and the development of responsible, ambitious employees, including both new hires and those seeking continuing education.

Ölgerðarskólinn, the company’s digital learning platform, manages all the mandatory and optional training. Its role is to build and maintain employee knowledge through accessible online courses. It also provides easy access to the employee handbook and other materials.

Upon joining Ölgerðin, employees receive access to Ölgerðarskólinn and go through onboarding sessions that cover the company’s history, values, policies, and operations. Mandatory training for new employees is determined based on specific needs and the company’s quality standards.

Job Exchange

Collaboration between the departments and employees is key to improving service. Job exchange offers a great opportunity to get to know colleagues and learn more about each other's roles. During job exchange, employees spend at least half a day with employees in other departments.

One month each year is dedicated to job shadowing, although employees are welcome to participate at any time. New hires often take part early on, as it helps them quickly understand the business and build relationships.

Human Rights in the Supply Chain

At Ölgerðin, we select partners that share our commitment to sustainability. We operate according to our code of conduct and require that our suppliers do the same.

All suppliers, contractors, consultants, and others in the supply chain must sign our Code of Conduct. Employees responsible for supplier relationships must ensure alignment with our Human Rights Policy.

We do not tolerate or work with any entity that tolerates:

- Human rights violations
- Inequality
- Forced labor
- Human trafficking or slavery
- Corporal punishment
- Illegal child labor
- Unlawful discrimination
- Unsafe working conditions
- Unfair treatment
- Unjust compensation
- Excessive working hours
- Violations of labor law, union rights, tax obligations, or anti-corruption standards

A reporting channel is available on Ölgerðin and Danól's websites where suppliers and customers can report suspected misconduct or unethical behavior.

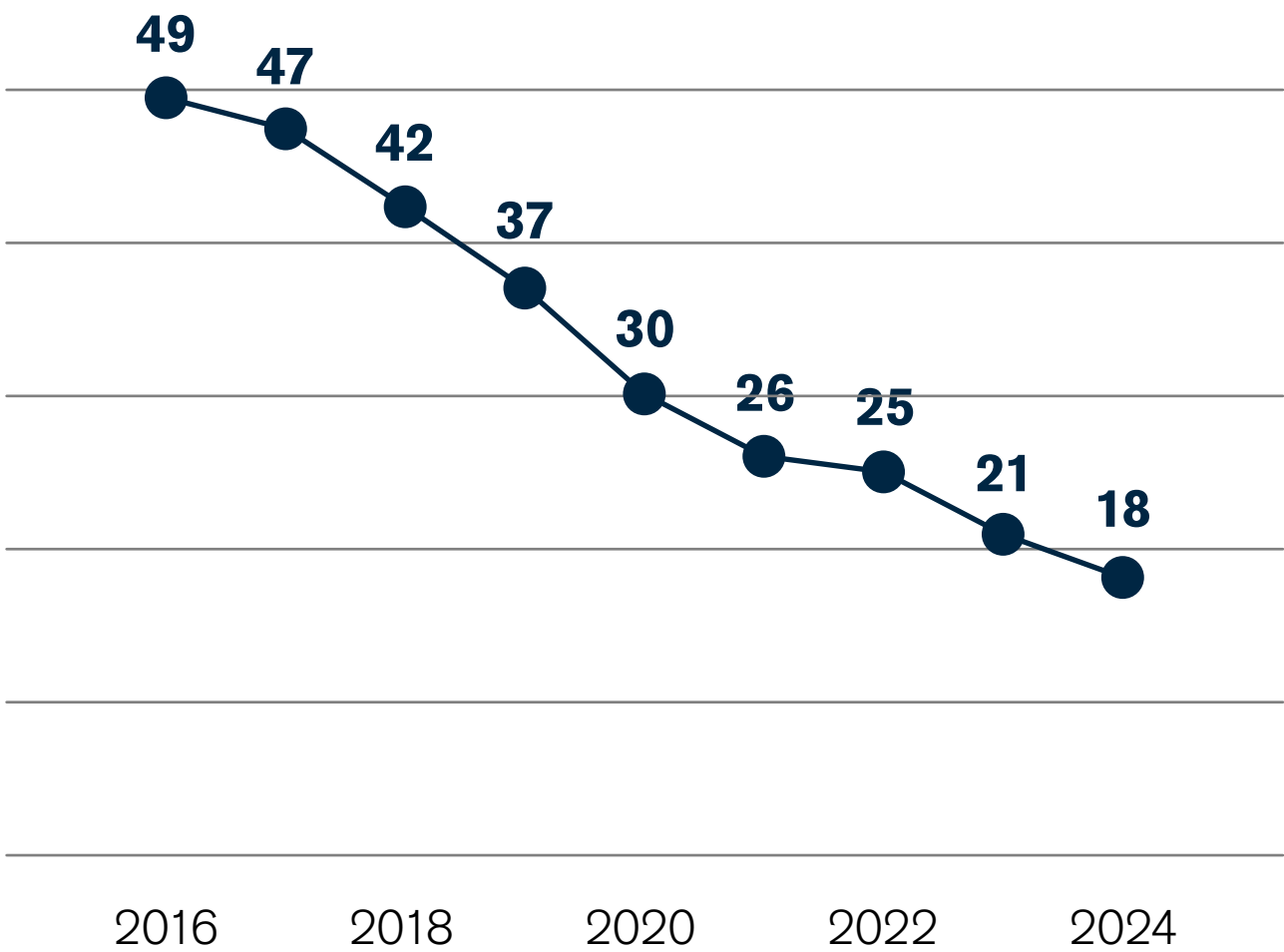
Supplier Assessment

Supplier assessments are one of Ölgerðin's primary tools for promoting sustainability and preventing human rights violations. Ölgerðin has conducted active assessments in recent years for raw material and packaging suppliers.

In 2024, work began to implement a new, more comprehensive supplier assessment system. All suppliers have been risk-assessed, with a particular focus on geographic and industry-specific risks. This process improves oversight and drives awareness among partners. Danól will complete its integration with this system by 2025.

Consumer Health and Safety

Sugar content (g per liter)

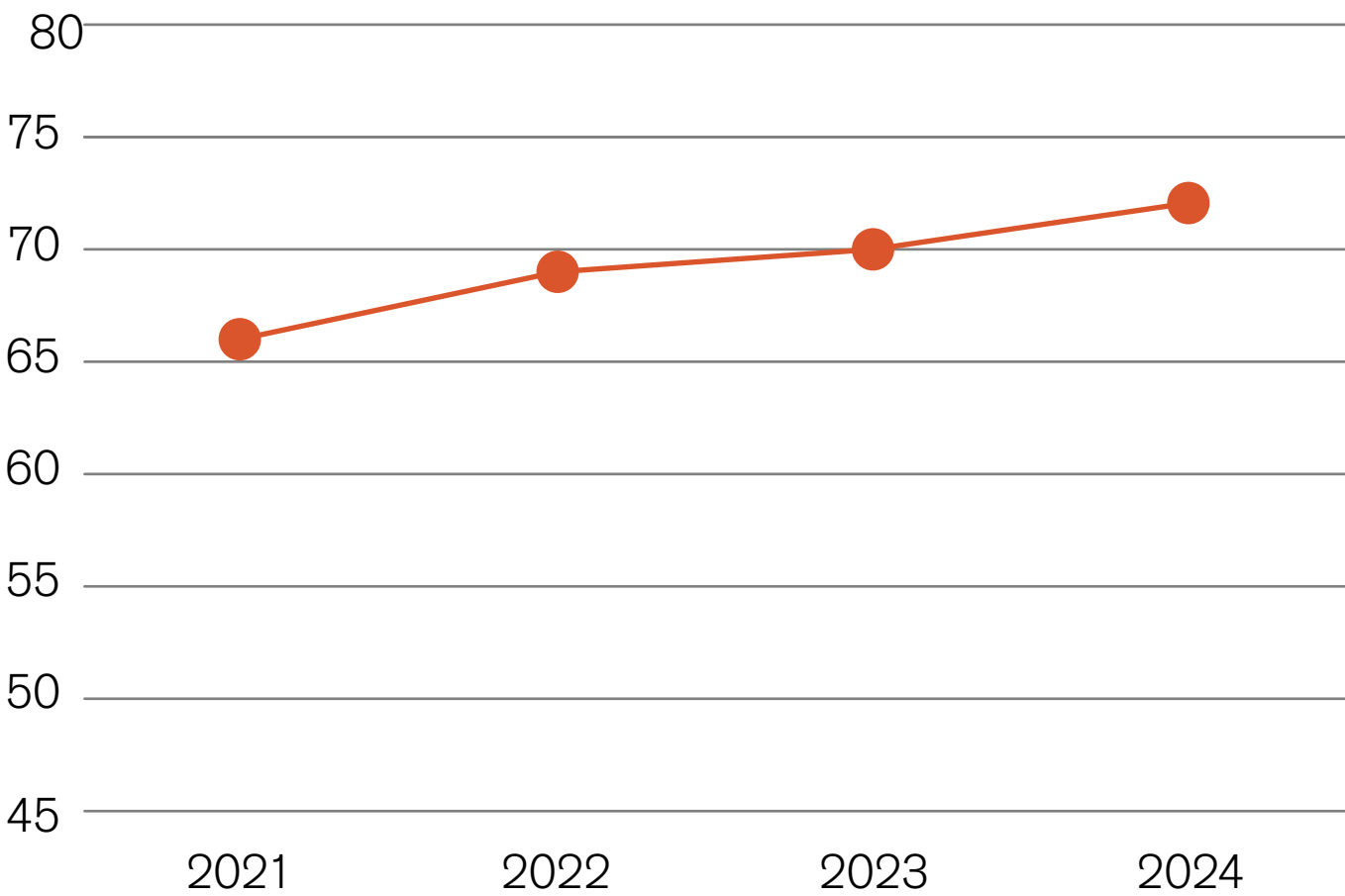


Healthier Choices

We have systematically worked to expand the range of healthier options in our product portfolio by developing new products and improving the existing ones. This is a key part of our sustainability journey with a focus on offering choices with less or no added sugar and an increasing selection of low- or non-alcoholic beers.

The sugar content per liter of beverages sold by Ölgerðin continues to decline. This trend is driven by the reformulation of existing drinks to contain less sugar, growing consumer preference for sugar-free or reduced-sugar alternatives, and an expanded offering of healthier products. Ölgerðin also produces a variety of carbonated beverages that are not harmful to dental health.

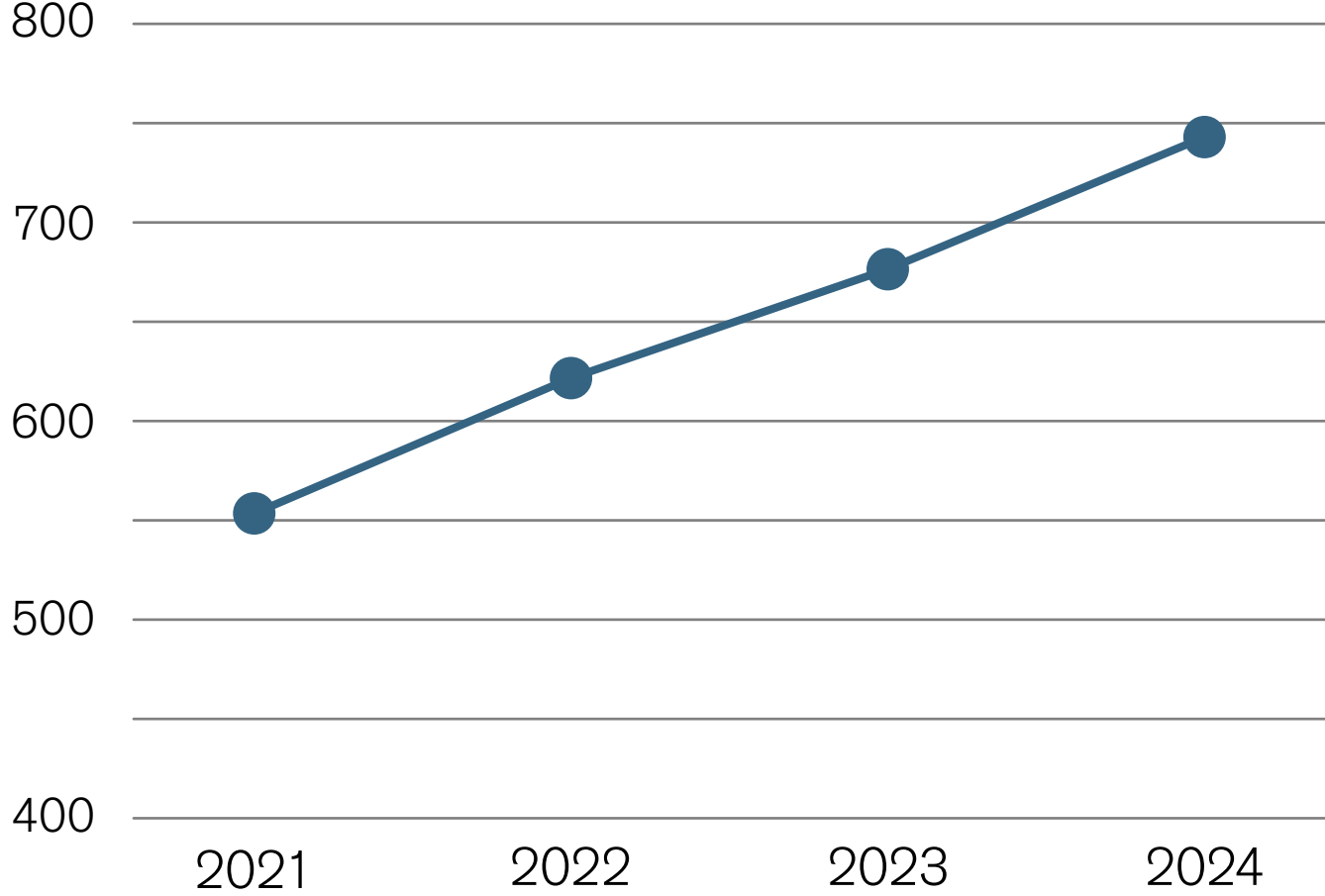
Share of single servings in carbonated beverages at Ölgerðin



All Kristall flavors are clear and do not erode tooth enamel.

Over the past eight years, the average sugar content per liter has decreased by 62%. The company’s target for 2030 is to reduce the sugar content in its produced beverages by 50% compared to 2020. As of now, the sugar content has already been reduced by 40% from the 2020 baseline.

Total market for alcohol-free and light beers according to Nielsen (by value, ISK millions)



Ölgerðin also produces a broad range of high-quality beers with and without alcohol. As society evolves, a growing number of consumers are choosing to reduce or avoid alcohol consumption. In response, we have made a concerted effort to increase our selection of non-alcoholic beers so that consumers can choose a drink suited to any occasion. Non-alcoholic beer can be considered a very healthy option, containing water, hops, and barley—natural ingredients that provide vitamins and minerals. In 2024, high-quality non-alcoholic beer varieties were launched to meet the growing demand with great effort made to ensure they match the taste of traditional beers.

Sweeteners

Sweeteners are used in some of Ölgerðin's beverages. There are several types of sweeteners available, and those used by Ölgerðin are all approved and have been studied extensively over a long period. Ongoing monitoring of research on sweeteners is conducted, and the ingredients used are approved by the European Food Safety Authority (EFSA). We only use substances that are officially approved for use in food and beverages.

Drinks containing sweeteners do not affect blood sugar levels in the same way as sugary drinks. Examples of sweeteners used by Ölgerðin include Sucralose, Acesulfame Potassium, and Aspartame, which you can read more about [on the PepsiCo website](#).

Icelandic Ingredients

Consumers are increasingly demanding greater transparency regarding the origin of products and more detailed information about their environmental impact. By using Icelandic ingredients, Ölgerðin can reduce the carbon footprint of its product offerings.

Ölgerðin is the largest individual user of Icelandic barley for brewing purposes. For example, Icelandic barley is used in the production of beers such as Boli. Although Ölgerðin is the largest single user of Icelandic barley, it still only represents a small portion of the total barley volume used by the company. Ölgerðin has been working with the Agricultural University of Iceland to explore the possibilities of expanding the domestic production and malting of barley. Several factors must align for this to happen, such as identifying the right barley strain that is suitable for Icelandic conditions and securing investment for the establishment of a malting facility. This is a long-term innovation project, but the use of locally sourced ingredients could significantly reduce the carbon footprint of beer production.

In the sparkling wine drink BAGL, Icelandic basil from VAXA is used. In COLLAB, the collagen is sourced from Feel Iceland and derived from by-products of Icelandic seafood..



Responsible Marketing Practices

Product Quality, Safety, and Social Responsibility

Ölgerðin has established a clear policy regarding product quality and operates under a certified quality management system. Given the significant risk associated with product quality failures, the company adheres to the standards of ISO 9001 and ISO 22000. A key performance indicator is the maintenance of these certifications. Ölgerðin has successfully met its goals of preserving and strengthening its reputation for quality by ensuring that product handling aligns with best practices, and that all operations comply with the laws, regulations, and expectations of customers and stakeholders. In addition, response plans are in place to address any consumer-related incidents such as illness or other harm. The company's aim is to continue developing and reinforcing its quality image.

Responsible Marketing

Ölgerðin acknowledges that some of its products may have adverse effects if consumed excessively. Therefore, the company places a strong emphasis on the development of healthier alternatives, including products with reduced or no sugar, and an expanded offering of alcohol-free beverages. Ölgerðin accepts its social responsibility in how products are promoted and marketed, ensuring that consumers receive clear and reliable information. The company avoids exaggeration, misleading claims, and always encourages moderate consumption. All marketing ma-

terials and product information comply with the applicable laws and regulations.

Community Support

Ölgerðin allocates sponsorships and donations to encourage physical activity among children and to support other health-promoting initiatives. In 2024, the company provided support to youth and school camps at Laugarvatn and Reykir as well as to national organizations such as UMFÍ (Youth Association of Iceland), ÍSÍ (The National Olympic and Sports Association of Iceland), KKÍ (Icelandic Basketball Association), and KSÍ (Icelandic Football Association).

Furthermore, Ölgerðin donates products that are approaching their sell-by date, ensuring that they are put to good use rather than discarded. These donations benefit organizations such as the Mothers' Aid Committee (Mæðrastyrksnefnd), Samhjálp, the Salvation Army, and smaller aid groups like Frú Ragnheiður.

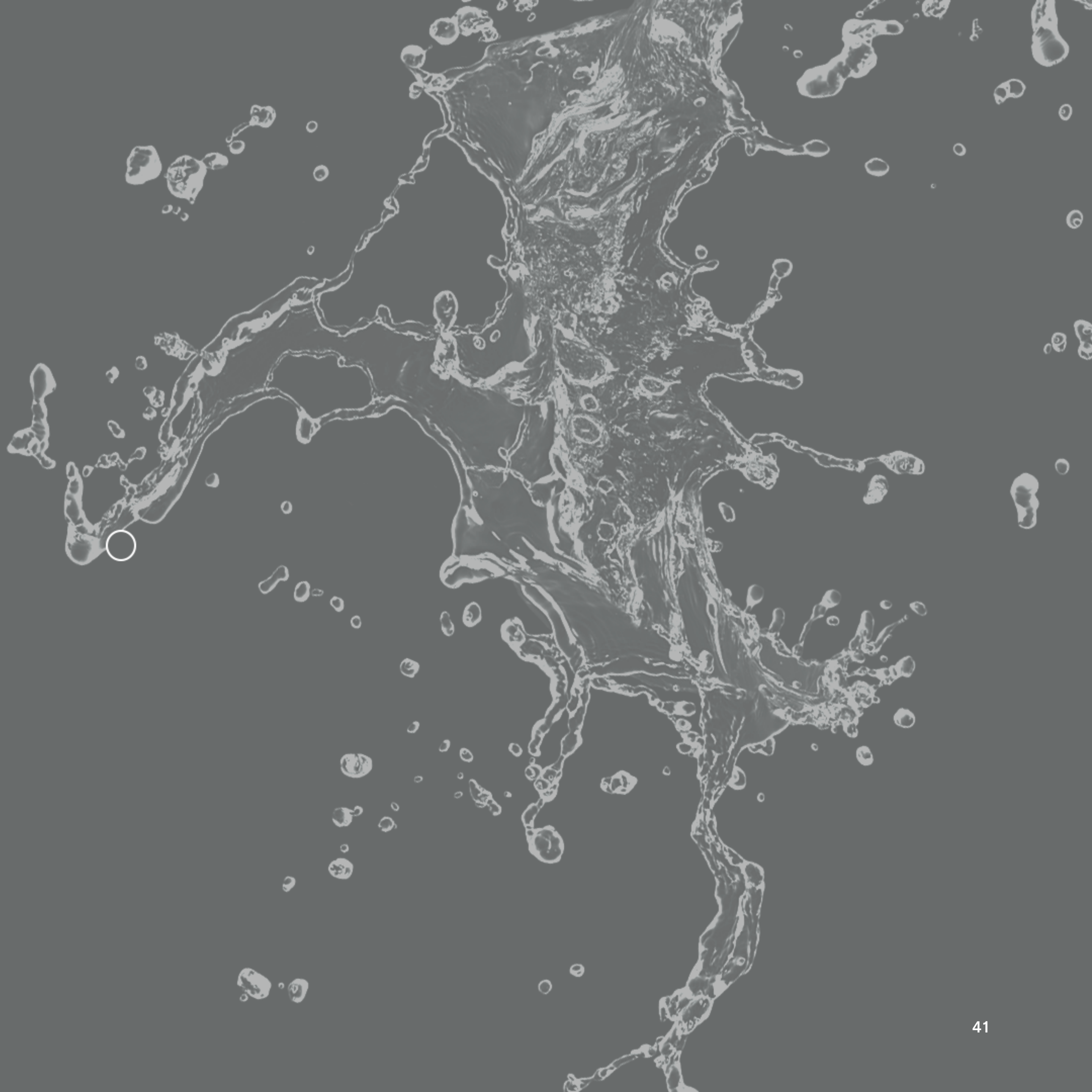
Examples from the year include:

- Beverage donations for Christmas distributions to the Mothers' Aid Committee, the Family Aid organization, Samhjálp, and Food Aid Akureyri.



- Beverage donations accompanying Christmas meals served at the inpatient psychiatric addiction treatment unit.
- Danól, a subsidiary of Ölgerðin, donated over 40 tonnes of products to charitable organizations in 2024.

Ölgerðin also provides annual financial support to SÁÁ (National Center of Addiction Medicine).



4.

Corporate Governance

Business Ethics and Corporate Culture	42
Code of Conduct and Ethics	42
Corporate Governance	42
Ethics and Anti-Corruption Measures	43
Sustainability Governance	43

Business Ethics and Corporate Culture

Code of Conduct and Ethics

Ölgerðin's Code of Conduct and Ethics serves as a guiding framework for decision-making that supports the company's vision and values. Rooted in international standards, the code ensures that customers, suppliers, and other stakeholders know what to expect from us. It is a binding commitment to our employees, clients, and business partners.

The code applies to all employees and suppliers, and it provides direction in daily operations. [It is publicly available on Ölgerðin's website.](#)

The Code of Conduct includes the following policies:

- Human Resource Policy
- Equality Policy
- Human Rights Policy
- Sustainability Policy
- Board Rules of Procedure
- Corporate Governance Statement
- Health & Safety Policy
- Policy and Action Plan Against Bullying, Gender-Based and Sexual Harassment
- Quality Policy
- Competition Law Compliance Policy
- Anti-Bribery and Anti-Corruption Policy

- Information Security Policy
- Privacy Policy
- Media Policy



Corporate Governance

The main governance-related risks identified by Ölgerðin include information security breaches and system vulnerabilities. Moreover, there is operational risk if decision-making



ing by the board or management fails to consider the environmental or societal impacts. Work is under way to further define additional governance risks, determine performance indicators, and set measurable targets for addressing them.

The board of Ölgerðin operates according to rules of procedure that are based on the Corporate Governance Guidelines issued by the Iceland Chamber of Commerce, the Confederation of Icelandic Enterprise, and Nasdaq OMX Iceland. These rules aim to ensure operational efficiency and proper handling of corporate matters. In 2024, Ölgerðin received formal recognition from Stjórnvísí as a model company in corporate governance. Further information can be found in the company's Corporate Governance Statement.

Ethics and Anti-Corruption Measures

Ölgerðin adheres to a Code of Conduct that guides ethical decision-making aligned with the company's values and long-term vision. These principles serve as a commitment to our employees, customers, suppliers, and stakeholders, and they align with the UN Global Compact.

Senior management is expected to lead by example and ensure that employees are well informed and compliant with the rules. All employees sign the Code of Conduct upon being hired, and related training is provided through Ölgerðarskólinn, which is the company's internal learning platform.

Employees are required to report any invitations or gifts to their supervisors for approval and must also disclose any ownership or personal relationships with customers or suppliers. They are prohibited from making work-related decisions involving relatives or partners.

Ölgerðin fully complies with all the relevant laws and regulations. Internal procedures are in place for whistleblowing in accordance with Icelandic Law No. 40/2020, and both employees and external stakeholders can report misconduct via the company's whistleblower portal.

Sustainability Governance

Ölgerðin has set ambitious sustainability targets and integrates sustainability into core decision-making. The company supports Iceland's national climate goals, including a 40% reduction in the carbon footprint by 2030, and has committed to achieving carbon neutrality by 2040.

It participates in the *Science Based Targets initiative (SBTi)* to scientifically measure and verify progress toward limiting global warming to below 1.5°C. Ölgerðin also follows the *UN Global Compact* guidelines and submits an annual progress report.

The company has regularly published reports on its environmental, social, and governance (ESG) performance, which are verified by a third party. The 2024 ESG disclosures, along with additional metrics on environmental and governance practices, can be found in Ölgerðin's most recent sustainability report. The company aims to continue improving the quality and scope of its reporting going forward.



5.

ESG Report

Statement and Endorsement by Klappir Green Solutions hf.	45
Report of the Board of Directors and CEO	46
ESG Report	47
Operational Parameters	47
Emissions	49
Emission Sources	54
Environmental management	59
Social	60
Governance	66
Organizational and Operational Boundaries	69
Organizational Boundaries	69
Operational Boundaries	69
Definitions	70
Explanatory Notes	71

Statement and Endorsement by Klappir Green Solutions hf.

Klappir Green Solutions hf. (“Klappir”) has assisted in the preparation of the sustainability disclosure for Ölgerðin Egill Skallagrímsson hf. This sustainability statement contains key information regarding the environmental, social, and governance (ESG) performance of Ölgerðin Egill Skallagrímsson hf.

Responsibility of the Board and CEO for the Sustainability Statement

The Board of Directors and CEO are responsible for the preparation and presentation of non-financial information, including information on environmental, social, and governance factors, in accordance with Article 66 of Icelandic Annual Accounts Act No. 3/2006.

Klappir’s Confirmation

We have structured and conducted our review in accordance with the core principles of the Greenhouse Gas Protocol methodology, which require that emissions data be presented in a manner

that is relevant, accurate, complete, consistent, and transparent.

I hereby confirm with my signature that the data provided by Ölgerðin Egill Skallagrímsson hf. and published in this sustainability statement for the period January 1, 2024 to December 31, 2024, has been reviewed and assessed by Klappir’s sustainability specialists to the best of our knowledge. Data related to social and governance aspects has not been reviewed by Klappir. Klappir is not responsible for any investment decisions made based on the information presented herein.



Klappir Green Solutions hf.

Jón Ágúst Þorsteinsson

The sustainability statement of Ölgerðin Egill Skallagrímsson hf. has been electronically signed by Klappir Green Solutions hf.



Report of the Board of Directors and CEO

Ölgerðin’s sustainability statement is presented in accordance with Article 66 of Icelandic Annual Accounts Act No. 3/2006 and the ESG Reporting Guide 2.0 issued by Nasdaq. These guidelines are based on the recommendations issued in 2015 by the United Nations, the Sustainable Stock Exchange Initiative, and the World Federation of Exchanges.

Ölgerðin utilizes the digital platform provided by Klappir Green Solutions hf. to ensure traceability, transparency, and efficiency in the collection, processing, and dissemination of data related to the company’s sustainability performance.

The Board of Directors and CEO hereby confirm the company’s sustainability disclosure for the period 1/1/2024–12/31/2024 by signing this report electronically.

The Board of Directors

Bogi Þór Siguroddsson
Magnús Árnason
Gerður Huld Arinbjarnardóttir
Rannveig Eir Einarsdóttir
Sigríður Elín Sigfúsdóttir

Chief Executive Officer

Andri Þór Guðmundsson

[The independent auditor’s limited assurance report can be found here.](#)



ESG Report

Operational Parameters

Operational Parameters	Explanatory Notes	Unit	2024	2023
Net revenue (from financial statement)	[1]	ISK m	45,723.87	45,375
Total Equity (unlisted organizations)		ISK m	16.375	15.047
Number of employees (from financial statement)		FTEs	400	395
Total space for own operation	[2]	m²	24,914	23,204

GhG emission intensity	Unit	2024	2023
GHG emissions per megawatt-hour consumed	kgCO ₂ e/MWh	655.8	647.2
GHG emissions per full-time equivalent (FTEe) employee	kgCO ₂ e/FTEs	45,026.7	44,668.1
GhG emissions per unit of revenue	kgCO ₂ e/ISK m	393.9	388.85
GhG emissions per unit of equity	kgCO ₂ e/ISK m	1,099.9	1,172.6
GhG emissions per unit of space (m²)	kgCO ₂ e/m²	722.9	760.4

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

Energy Intensity	Explanatory Notes	Unit	2024	2023
Energy per full-time equivalent (FTEe) employee		kWh/FTEs	68,661.5	69,014.8
Energy per unit of revenue		kWh/ISK m	600.7	600.8
Energy per square meter		kWh/m²	1,102.4	1,174.8
E4 UNGC: P7, P8 GRI 302-3 SDG: 12 SASB: General Issue / Energy Management				

Waste intensity	Explanatory Notes	Unit	2024	2023
Total waste per full-time equivalent (FTEe) employee		kg/FTEs	5,016.4	4,306.9
Total waste per unit of revenue		kg/ISK m	43.9	37.5

Emissions

Greenhouse Gas Emissions	Explanatory Notes	Unit	2024	2023
Scope 1		tCO ₂ e	425.7	1,306.8
Scope 2 (location-based)	[3]	tCO ₂ e	209.3	236.5
Scope 2 (market-based)	[4]	tCO ₂ e	209.3	236.5
Total Scope 1 and 2 (location based)		tCO ₂ e	635	1,543.2
Total Scope 1 and 2 (market-based)		tCO ₂ e	635	1,543.2
Scope 3		tCO ₂ e	17,375.6	16,100.7
Total Scope 1, 2 & 3 emissions (location-based)		tCO ₂ e	18,010.7	17,643.9
Total Scope 1, 2 & 3 emissions (market-based)		tCO ₂ e	18,010.7	17,643.9
ESRS E1-6, paragraph 44, 48 (a, b), 49 (a, b), 52 (a, b), 51, AR 39, AR 43 - AR 45, AR 47				

Carbon offset	Explanatory Notes	Unit	2024	2023
Total emissions offset		tCO ₂ e	0	0
Of which verified carbon credits		tCO ₂ e		
Of which non-verified offsetting projects		tCO ₂ e		

Scope 1 - Details	Explanatory Notes	Unit	2024	2023
Total Scope 1 emissions		tCO ₂ e	425.7	1,306.8
Stationary fuel combustion	[5]	tCO ₂ e	2.6	251.3
Mobile fuel combustion		tCO ₂ e	423.1	529.9
Fugitive emissions	[6]	tCO ₂ f	0	525.5
ESRS E1-6, AR 52				

Scope 2 - Details		Unit	2024	2023
Total Scope 2 emissions		tCO ₂ e	209.3	236.5
Electricity		tCO ₂ e	134	159.5
Heating		tCO ₂ e	75.4	77
ESRS E1-6, AR 52				

Scope 3 - Upstream emissions	Explanatory Notes	Unit	2024	2023
Category 1: Purchased goods and services				
Total emissions	[7]	tCO ₂ e	9,396.2	8,825

Electronics		tCO ₂ e	0	0
Food		tCO ₂ e	0	0
Packaging		tCO ₂ e	0	0
Construction Materials		tCO ₂ e	0	0
Other	[8]	tCO ₂ e	9,396.2	8,825
<i>Category 2: Capital goods</i>				
Total emissions		tCO ₂ e	494.9	55.2
Structures		tCO ₂ e	0	0
Vehicles	[9]	tCO ₂ e	356.8	0
Machinery	[10]	tCO ₂ e	138.1	55.2
<i>Category 3: Fuel- and energy-related activities</i>				
Total emissions		tCO ₂ e	146.7	224.1
Purchased fuels		tCO ₂ e	106.8	186.8
Purchased electricity		tCO ₂ e	0.5	0.6
Transmission and distribution (T&D) losses		tCO ₂ e	39.3	36.7
<i>Category 4: Upstream transportation and distribution</i>				
Total emissions		tCO ₂ e	6,204.8	6,002.3
Air transportation		tCO ₂ e	0	0

Marine transportation		tCO ₂ e	5,836.4	5,632.4
Road transportation		tCO ₂ e	361.5	362.4
Rail transportation		tCO ₂ e	0	0
Storage of purchased goods	[11]	tCO ₂ e	6.9	7.4
<i>Category 5: Waste generated in operations</i>				
Total emissions		tCO ₂ e	28.5	28.6
Transport, disposal and treatment of waste		tCO ₂ e	28.5	28.6
Wastewater treatment		tCO ₂ e	0	0
<i>Category 6: Business travel</i>				
Total emissions		tCO ₂ e	106.9	111.3
Air travel		tCO ₂ e	106.9	111.3
<i>Category 7: Employee commute</i>				
Total commuting emissions	[12]	tCO ₂ e	163.6	180.2
Bus commute		tCO ₂ e	2	4.2
Car commute		tCO ₂ e	161.6	176
ESRS E1-6, AR 52				

Scope 3 - Downstream emissions	Explanatory Notes	Unit	2024	2023
Category 12: End-of-life treatment of sold products				
Total emissions	[13]	tCO ₂ e	834.1	674
Category 15: Investments				
Total emissions		tCO ₂ e	0	0
Listed equity and bonds		tCO ₂ e	0	0
Business loans and unlisted equity		tCO ₂ e	0	0
Project finance		tCO ₂ e	0	0
Commercial real estate		tCO ₂ e	0	0
Mortgages		tCO ₂ e	0	0
Motor vehicle loans		tCO ₂ e	0	0
ESRS E1-6, AR 52				

Emission Sources

Energy consumption	Unit	2024	2023
Total energy consumption	kWh	27,464,597.5	27,260,838.7
Fossil fuels	kWh	1,707,219.8	3,074,550.8
Bio fuels	kWh	0	0
Electrofuel	kWh	0	4,161.7
Electricity	kWh	15,686,060	15,481,767
Heating	kWh	10,071,318.3	8,700,359.1
Direct energy consumption	kWh	1,707,219.8	3,078,712.5
Indirect energy consumption	kWh	25,757,377.8	24,182,126.2
Nasdaq: E3 UNGC: P7, P8 GRI: 302-1, 302-2 SDG: 12 SASB: General Issue / Energy Management			

Energy mix	Unit	2024	2023
Total energy consumption	kWh	27,464,597.5	27,260,838.7
Fossil fuel	%	6.2%	11.3%
Renewables	%	93.8%	88.7%
Nuclear	%	0%	0%
Unknown	%	0%	0%
Nasdaq: E5 GRI: 302-1 SDG: 7 SASB: General Issue / Energy Management			

Fuel consumption	Explanatory Notes	Unit	2024	2023
Total fuel consumption		kg	143,603.6	256,180.2
Diesel fuel off road		kg	2,745	0
Marine gas oil	[14]	kg	0	76,931.2
Gasoline or Petrol		kg	32,818	43,534.1
Hydrogen fuel		kg	0	104.8
Diesel fuel		kg	108,040.5	135,610.2

Fugitive emissions	Explanatory Notes	Unit	2024	2023
Total fugitive emissions	[15]	kg	24	134
Carbon dioxide (CO2)	[16]	kg	24	0
F-gases		kg	0	134

Water consumption	Explanatory Notes	Unit	2024	2023
Total water withdrawal		m³	489,068.9	466,505.7
Cold water		m³	315,425.5	316,499.5
Hot water		m³	173,643.4	150,006.2
Nasdaq: E6 GRI: 303-5 SDG: 6 SASB: General Issue / Water & Wastewater Management				

Electricity mix	Explanatory Notes	Unit	2024	2023
Total electricity consumption		kWh	15,686,059.5	15,481,767
Fossil fuels		%	0%	0%
Renewables	[17]	%	100%	100%
Nuclear		%	0%	0%

Upstream transportation and distribution	Explanatory Notes	Unit	2024	2023
Total transportation and distribution		tonne	86,322	84,550.1
Air transportation		tonne	0	0
Marine transportation		tonne	64,341.8	62,483.8
Road transportation		tonne	21,980.2	22,066.3

Waste treatment		Explanatory Notes	Unit	2024	2023
Total waste generation			kg	2,006,554	1,701,208
Sorted waste			kg	1,837,591	1,576,847
Unsorted waste			kg	168,963	124,361
Recovered waste			kg	1,976,119	1,660,659
Disposed waste			kg	30,435	40,549
Percentage of waste sorted			%	91.6%	92.7%
Percentage of waste recovered			%	98.5%	97.6%

Business travel		Explanatory Notes	Unit	2024	2023
Total distance travelled		[18]	km	564,490	266,713.6
Air travel			km	564,490	266,713.6

Hotel nights		Explanatory Notes	Unit	2024	2023
Total overnight stays		[19]	no.	0	0

Employee commuting	Explanatory Notes	Unit	2024	2023
Total commuting distance		km	1,595,734	1,523,764
Bus commute		km	18,577	41,371
Car commute		km	1,482,654	1,364,816
On foot / Bicycle commute		km	94,503.2	117,577.91

Environmental management

Environmental management	Explanatory Notes	Unit	2024	2023
Does your company follow a formal Climate Management Plan?		yes/no	Yes	Já
Does your company follow specific waste, water, energy, and/or recycling policies?		yes/no	Yes	Já
Does your company use a recognized energy management system?		yes/no	No	Nei
Nasdaq: E7 GRI: 103-2 SASB: General Issue / Waste & Hazardous Materials Management				

Climate oversight	Explanatory Notes	Unit	2024	2023
Does your Senior Management manage climate-related risks?		yes/no	Yes	Já
Does your Board of Directors oversee climate-related risk?		yes/no	Yes	Já
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)				

Climate risk mitigation	Explanatory Notes	Unit	2024	2023
Total annual investment in climate-related infrastructure, resilience, and product development		ISK m	285	262
Nasdaq: E10 UNGC: P9 SASB: General Issue / Physical Impacts of Climate Change, Business Model Resilience TCFD: Strategy (Disclosure A)				

Social

CEO Pay Ratio	Explanatory Notes	Unit	2024	2023
CEO Salary & Bonus (X) to median FTE Salary		X:1	8.2	8
Does your company report this metric in regulatory filings?		yes/no	Yes	Yes
S1 UNGC: P6 GRI 102-38				

Gender Pay Ratio	Explanatory Notes	Unit	2024	2023
Median total compensation for men (X) to median total compensation for women		X:1	1	1
Outcome of equal pay certification		%	1.3%	0.6%
S2 UNGC: P6 GRI: 405-2 SASB: General Issue / Employee Engagement, Diversity & Inclusion				

Employee Turnover	Explanatory Notes	Unit	2024	2023
Full-time Employees				
Year-over-year change for full-time employees		%	22.9%	27.1%
Dismissal		%	3.1%	2.8%
Retirement		%	1%	1.1%

Job transition	%	18.5%	23.3%
Death	%	0.3%	0%
<i>Part-time Employees</i>			
Year-over-year change for part-time employees	%	2%	1.7%
Dismissal	%	0%	0%
Retirement	%	0%	1.7%
Job transition	%	2%	0%
Death	%	0%	0%
<i>Contractors and/or consultants</i>		[20]	
Year-over-year change for contractors and/or consultants	%		
Dismissal	%		
Retirement	%		
Job transition	%		
Death	%		
<i>Gender</i>			
Men	%	21.6%	25.9%
Women	%	18.9%	18.1%
Non-binary (Gender registered as non-binary/other)	%		

Unspecified	%		
Age			
<20	%	36.4%	44.4%
20-29	%	38.1%	30%
30-39	%	14.7%	24.1%
40-49	%	11.5%	16.5%
50-59	%	7.7%	16.3%
60-69	%	22.9%	19.5%
70+	%	0%	50%
S3 UNGC: P6 GRI: 401-1b SDG: 12 SASB: General Issue / Labor Practices			

Gender Diversity	Explanatory Notes	Unit	2024	2023
Enterprise Headcount				
Percentage of women in enterprise		%	31.1%	30%
Women		no.	132	127
Men		no.	292	294
Non-binary (Gender registered as non-binary/other)		no.		
Unspecified		no.		

Entry- and Mid-level Positions				
Percentage of women in entry- and mid-level position	%		30.2%	29%
Women	no.		116	111
Men	no.		268	270
Non-binary (Gender registered as non-binary/other)	no.			
Unspecified	no.			
Senior- and Executive-level Positions				
Percentage of women in senior- and executive-level positions	%		40%	40%
Women	no.		16	16
Men	no.		24	24
Non-binary (Gender registered as non-binary/other)	no.			
Unspecified	no.			
S4 UNGC: P6 GRI: 102-8, 405-1 SASB: General Issue / Employee Engagement, Diversity & Inclusion				

Temporary Worker Ratio	Explanatory Notes	Unit	2024	2023
Total enterprise headcount held by part-time employees		%	11.7%	14%
Total enterprise headcount held by contractors and/or consultants		%		
S5 GRI: 102-8 UNGC: P6				

Non-Discrimination	Explanatory Notes	Unit	2024	2023
Does your company follow a sexual harrassment and/or non-discriminatory policy?		yes/no	Yes	Yes
S6 UNGC: P6 GRI: 103-2 (see also: GRI 406: Non-Discrimination 2016) SASB: General Issue / Employee Engagement, Diversity & Inclusion				

Injury Rate	Explanatory Notes	Unit	2024	2023
Total number of injuries and fatalities, relative to the total workforce		%	3,9%	4%
S7 GRI: 403-9 SDG: 3 SASB: General Issue / Employee Health & Safety				

Global Health & Safety	Explanatory Notes	Unit	2024	2023
Does your Company publish and follow an occupational health and/or global health & safety policy		yes/no	Yes	Yes
Total absence from work (X) to total working hours of all employees		X:1	0,04	0,03
Absence from work due to long-term illness (X) to total working hours of all employees		X:1	0,02	0,02
Absence from work due to short-term illness (X) to total working hours of all employees		X:1	0,02	0,01
S8 GRI: 103-2 (See also: GRI 403: Occupational Health & Safety 2018) SDG: 3 SASB: General Issue / Employee Health & Safety				

Child & Forced Labor	Explanatory Notes	Unit	2024	2023
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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
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			

Human Rights	Explanatory Notes	Unit	2024	2023
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
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				

Governance

Board Diversity	Unit	2024	2023
Total board seats occupied by women (as compared to men)	%	60%	40%
Committee chairs occupied by women (as compared to men)	%	50%	100%
G1 GRI 405-1 SDG: 10 SASB: General Issue / Employee Engagement, Diversity & Inclusion (See also: SASB Industry Standards)			

Board Independence	Unit	2024	2023
Does the company prohibit CEO from serving as board chair?	yes/no	Yes	Yes
Total board seats occupied by independents	%	60%	80%
G2 GRI: 102-23, 102-22			

Incentivized Pay	Unit	2024	2023
Are executives formally incentivized to perform on sustainability	yes/no	Yes	Yes
G3 GRI: 102-35			

Collective Bargaining	Unit	2024	2023
Total enterprise headcount covered by collective bargaining agreements (X) to the total employee population	%	100%	100%
G4 UNGC: P3 SDG: 8 GRI: 102-41 SASB: General Issue / Labor Practices (See also: SASB Industry Standards)			

Supplier Code of Conduct	Unit	2024	2023
Are your vendors or suppliers required to follow a Code of Conduct	[21] yes/no	Yes	Yes
If yes, what percentage of your suppliers have formally certified their compliance with the code	[22] %	10.9%	0%
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)			

Ethics & Anti-Corruption	Unit	2024	2023
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?	[23] %	83%	64%
G6 UNGC: P10 SDG: 16 GRI: 102-16, 103-2 (See also: GRI 205: Anti-Corruption 2016)			

Data Privacy	Unit	2024	2023
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
G7 GRI: 418 Customer Privacy 2016 SASB: General Issue / Customer Privacy, Data Security (See also: SASB Industry Standards)			

ESG Reporting	Unit	2024	2023
Does your organization publish a sustainability report?	yes/no	Yes	Yes
If Yes: does the Sustainability Report disclose environmental, social and governance matters?	yes/no	No	No
Is sustainability data included in your regulatory filings?	yes/no	Yes	Yes
G8 UNGC: P8			

Disclosure Practices	Unit	2024	2023
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
G9 UNGC: P8			

External Assurance	Unit	2024	2023
Are your sustainability disclosures assured or validated by a third party?	yes/no	Yes	Yes
G10 UNGC: P8 GRI: 102-56			

Organizational and Operational Boundaries

Organizational Boundaries

Ölgerðin uses the Operational Control approach in its sustainability reporting. Under this methodology, a company reports greenhouse gas emissions from all operational units over which it has control. It does not report emissions from operations that it does not control, even if it has a financial interest in those entities. The scope of Ölgerðin's reporting includes the following legal entities:

- Ölgerðin Egill Skallagrímsson hf.
- Danól ehf.
- Iceland Spring ehf.
- Collab ehf.

Operational Boundaries

Scope 1

- Fuel consumption of vehicles: Fully reported
- Stationary fuel combustion: Fully reported
- Fugitive emissions: Fully reported
- Emissions from industrial processes: Not applicable

Scope 2

- Electricity consumption: Fully reported
- District heating: Fully reported
- Cooling: Not applicable
- Steam: Not applicable

Scope 3

- Category 1 – Purchased goods and services: Partially reported
- Category 2 – Capital goods: Partially reported
- Category 3 – Fuel- and energy-related activities: Fully reported
- Category 4 – Upstream transportation and distribution: Partially reported
- Category 5 – Waste generated in operations: Fully reported
- Category 6 – Business travel: Partially reported
- Category 7 – Employee commuting: Fully reported
- Category 8 – Leased assets: Not applicable
- Category 9 – Downstream transportation and distribution: Not applicable
- Category 10 – Processing of sold products: Not reported
- Category 11 – Use of sold products: Not reported
- Category 12 – End-of-life treatment of sold products: Fully reported
- Category 13 – Downstream leased assets: Not reported
- Category 14 – Franchises: Not applicable
- Category 15 – Investments: Not applicable

Definitions

CARBON CREDIT: A tradable certificate representing one metric ton of CO₂e reduced, removed, or avoided through verified actions. May originate within or outside a company’s value chain.

CARBON INTENSITY: Total GHG emissions across Scope 1, 2, and 3 per selected business metric (e.g., per revenue), expressed as tCO₂e/unit.

DIRECT AND INDIRECT ENERGY USE: Total energy use from both Scope 1 (fuel) and Scope 2 (electricity/district heating), measured in kWh.

ENERGY INTENSITY: Total energy use per selected metric (e.g., kWh per full-time employee), used to assess efficiency.

WASTE INTENSITY: Total waste generation divided by selected metric (e.g., kg per full-time employee).

MITIGATION MEASURES: Actions to prevent, reduce, or offset the environmental impact.

SCOPE 2 – LOCATION-BASED: Indirect emissions from electricity use, based on average emissions from the local grid.

SCOPE 2 – MARKET-BASED: Indirect emissions based on the specific electricity purchased (e.g., with certificates of origin).

FUGITIVE EMISSIONS: Unintentional GHG releases, such as leaks from refrigeration or HVAC systems.

PURCHASED GOODS AND SERVICES: Cradle-to-gate emissions for goods and services bought during the reporting period.

CAPITAL GOODS: Emissions from the production and delivery of capital assets purchased.

FUEL- AND ENERGY-RELATED ACTIVITIES: GHGs from the upstream lifecycle of purchased fuels and energy, transmission losses, and onward sale of electricity.

UPSTREAM TRANSPORTATION AND DISTRIBUTION: Emissions from inbound and internal logistics paid by the company.

WASTE GENERATED IN OPERATIONS: Emissions from the disposal/treatment of operational waste.

BUSINESS TRAVEL: Emissions from staff travel for business purposes.

EMPLOYEE COMMUTING: Emissions from employees traveling to and from work.

LEASED ASSETS (UPSTREAM): Leased properties not included in Scope 1 or 2.

DOWNSTREAM TRANSPORTATION AND DISTRIBUTION: Emissions from the third-party transport of sold goods not paid for by the company.

PROCESSING OF SOLD PRODUCTS: Post-sale processing of intermediate products.

USE OF SOLD PRODUCTS: Emissions from the use-phase of products sold.

END-OF-LIFE TREATMENT: Disposal of sold products and packaging.

DOWNSTREAM LEASED ASSETS: Leased-out assets, excluding Scopes 1 & 2.

FRANCHISES: Franchisee emissions outside Scopes 1 & 2, reported by the franchisor.

INVESTMENTS: Emissions from financial investments outside of Scope 1 or 2.

ENERGY MANAGEMENT SYSTEM: Standardized energy systems such as ISO 50001.

Explanatory Notes

1. Total revenue reflects the fiscal year (March 1, 2024–February 28, 2025).

2. Area increase due to the purchase of Köllunarklettsvegur 6.

3. Updated emission factors from the Environment Agency of Iceland (August 2024) explain year-on-year changes in electricity emissions.

4. Certificate from HS Orka confirms 100% renewable electricity use in 2024.

5. On-site fuel use in 2024 refers to engine tank on Ölgerðin’s premises.

6. Cooling system overhaul in 2022; final legacy system leak recorded in 2023; Köllunarklettsvegur 6 now uses R744 (CO₂).
7. Packaging and raw materials for products.

8. LCA updates for packaging in 2024; changes not applied retroactively.

9. EV purchases in 2024 included.

10. Emissions from IT equipment and phones.

11. Hosting provider electricity emissions added for 2023 and 2024.

12. Employee commuting behavior for 85% estimated from peer behavior.

13. End-of-life reporting includes packaging and recycled coffee capsules.

14. Oil boiler decommissioned in 2023.

15. Fugitive emissions from Köllunarklettsvegur 6.
16. CO₂ emissions from R744 cooling at Köllunarklettsvegur 6.

17. Renewable energy certificates from HS Orka (2024).

18. Business travel emissions calculated using Klappir methodology.

19. Not included in reporting.

20. Employee turnover for contractors/consultants not applicable.

21. Covers Ölgerðin suppliers only (Danól in progress).

22. New Danól supplier evaluation system to be implemented in 2025.

23. All employees sign a Code of Conduct upon being hired and they complete the related training.



Sustainability Report 2024