1 January 2024
— 31 December 2024

Aalborg Portland A/S
Rørdalsvej 44
9220 Aalborg Øst
Denmark
CVR No 36428112

ESG Report 2024

aalborgportland
CEMENTIR HOLDING

Part of the Solution

ABOUT THIS REPORT

This is the Environmental, Social and Governance (ESG) Report of Aalborg Portland A/S. The report provides insight into the activities at the Aalborg Portland cement plant in Rørdal east of Aalborg, Denmark. Activities in other legal entities within the Aalborg Portland Holding Group, owned by the Cementir Holding Group (hereinafter referred to as "Cementir" or "the Group"), are not included in this report. All information in this ESG report is in accordance with the consolidated sustainability statements of the Group given in Cementir's Sustainability Report 2024, which also constitutes Aalborg Portland's compulsory statement on corporate social responsibility, cf. section 99a of the Danish Financial Statements Act.

The report covers the financial reporting year from 1 January 2024 to 31 December 2024.

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Letter from management

Despite the continued challenging market conditions in 2024, Aalborg Portland delivered strong financial results while continuing to reduce CO_2 emissions; thus, proving that Aalborg Portland is part of the solution.

In 2024, Aalborg Portland's (scope 1) CO_2 emissions decreased by more than 260 thousand tonnes (approx. 16%) compared to 2023 continuing our journey and commitment to achieve a 100% reduction of our CO_2 emissions by 2030.

In 2024, Cementir and Aalborg Portland were granted subsidy by the EU innovation fund, supporting our plans to establish a Carbon Capture Storage facility.

Alternative fuels at large

During 2024 we have continued to phase out fossil fuels such as coal and pet coke, replacing them with alternative fuels. We continued to optimise the fuel portfolio to increase the share of alternative fuels which constitutes non-recyclable waste materials from other industries and biogenic byproducts. We increased the share of alternative fuels from 40% in 2023 to 49% in 2024 in line with our ambitions for the year.

A stronger and more sustainable product portfolio

The second track of our climate plan is to develop and market new and more sustainable cement products. With our process and productions optimisations we have been able to reduce the carbon footprint of our products further to the benefit of our customers and the climate overall.

2024 was also the year where we introduced the white cement product named D-Carb® with a 15% lower CO_2 footprint compared to our existing white cement portfolio. We are pleased that the market has responded positively to the initiative and has initially taken more than 40 thousand tonnes of D-Carb® in 2024.

"Together with partner Air Liquide, Aalborg Portland has launched project ACCSION establishing a Carbon Capture facility capable of reducing CO_2-emissions from Aalborg Portland's cement production of 1.5 million tonnes yearly. In 2024, the EU innovation fund provided a grant of EUR 220 million to support the project implementation. "

Another historic day in the name of carbon capture

Together with our partner Air Liquide, Aalborg Portland has launched project ACCSION establishing a Carbon Capture facility capable of reducing CO_2-emissions from Aalborg Portland's cement production of 1.5 million tonnes yearly. In 2024, the EU innovation fund provided a grant of EUR 220 million to support the project implementation. During 2024 Aalborg Portland has continued with our partners in refining the carbon capture process including utilising the installed CCS pilot plant.

Safety culture in progress

2024 improved the positive trend in our health and safety performance further, with high attention to lowering the severity of any potential incident.

The declared 2023 focus area has been carried into 2024, and as a result, the Lost Time Injury (LTI) Rate amongst Aalborg Portland employees was 0 compared to 5.4 the year before. However, a similar positive trend was not observed in the LTI rate of contractors, which increased from 11.4 in 2023 to 13.4 in 2024. Safety is always a priority, and our dedication to improving health and safety at our company will continue in the years to come.

Stronger together

In recent years, we have initiated several new initiatives with the intention of improving our people inclusion, development, and engagement. This includes graduate, talent and leadership development programs, leadership conferences, engagement surveys, and various social events.

Reinforcing our local roots

Since Aalborg Portland was founded in 1889, we have been closely integrated with the local community. Today, we have an international outlook but are still deeply rooted in our local community. Aalborg Portland has a proud history of supporting local clubs, associations and communities. In 2024 we have engaged in multiple cultural and social events at Aalborg Zoo and the local Conference Center, Aalborg Kongres & Kultur Center.

In 2024 we presented our Masterplan for the rehabilitation of the Rørdal Chalk Pit, envisioning a recreational lake park providing the local community with opportunities for many activities such as hiking, mountain biking, and waters sports. Moreover, our Masterplan aims to ensure that the Rørdal Chalk Pit thrives in biodiversity, contributing to the area's flora and fauna both today and in the years to come.

In conclusion

Aalborg Portland will continue to be part of the solution by delivering on our ESG commitments and promoting sustainable, inclusive, and compliant business practices. Together we will build a stronger, more robust company to tackle turbulent times. We would like to thank each one of our employees and partners for their dedicated work.

Søren Holm Christensen, CEO
Henrik Jeppesen, CFO
Peter Birkegaard, Managing Director

ESG highlights 2024

Scope 1 GHG emissions

Tonnes

↘ 36%

Decrease from 2021 baseline.

2021	2,250,631
2022	1,981,749
2023	1,707,237
2024	**1,438,137**

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Alternative fuels

% of thermal energy

↗ 21pp

increase from 2021 baseline.

2021	28.0%
2022	30.2%
2023	39.7%
2024	**49,2%**

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Electricity consumption

MWh

↘ 23%

Decrease from 2021 baseline.

2021	347,943
2022	330,253
2023	279,627
2024	**266,770**

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Water consumption

m3

↘ 28%

Decrease from 2021 baseline.

2021	1,601,678
2022	1,419,493
2023	1,235,444
2024	**1,149,257**

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Waste generation

Tonnes

↘ 55%

Decrease from 2021 baseline.

2021	91,735
2022	55,980
2023	40,948
2024	**41,180**

READ MORE on page 42

LTIR, own employees

Per million working hours

↘ 100%

Decrease from 2021 baseline.

2021	26.0
2022	3.6
2023	5.4
2024	**0.0**

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Training hours

Hours

↗ 98%

Increase from 2021 baseline.

2021	2,576
2022	5,517
2023	4,273
2024	**5,112**

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Employee turnover rate

Percent

↘ 4pp

Decrease from 2021 baseline.

2021	17%
2022	18%
2023	14%
2024	**13%**

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Aalborg Portland in brief

Aalborg Portland was founded in 1889 and is the only cement manufacturer in Denmark, with its cement plant situated in Rørdal at the east end of Aalborg. Currently, Aalborg Portland stands as one of the largest industrial enterprises in Denmark. The company owns an extensive 1,200 hectares of land in the Rørdal area. Besides the cement plant and its accompanying harbour, this land encompasses farmland, a chalk quarry, and various uncultivated areas.

AT A GLANCE

1889

FOUNDED

Aalborg Portland was founded in 1889 and is the only cement manufacturer in Denmark

358

PEOPLE

Aalborg Portland directly employs 358 people in addition to which a substantial number of employees of external contractors and subcontractors work at Aalborg Portland

3.0

MILLION TONNES CEMENT

Aalborg Portland has an annual production capacity around 3 million tonnes of cement

18

COUNTRIES

Aalborg Portland has been part of Cementir Group since 2004. Cementir is a multinational Group operating in 18 countries

The cement plant consists of six cement kilns: one grey and five white. It is one of Europe's largest cement plants, boasting an annual production capacity around 3 million tonnes of cement: approx. 2 million tonnes of grey and approx. 1 million tonnes of white. Along with the cement plant, Aalborg Portland owns terminals in Denmark and abroad, making national and global transport of the finished cement products possible.

Aalborg Portland directly employs 358 people in addition to which a substantial number of employees of external contractors and subcontractors work at Aalborg Portland. Aalborg Portland is therefore one of the largest contributors to the industrial workforce of the North Denmark Region.

WHAT WE DO AND HOW WE CREATE VALUE

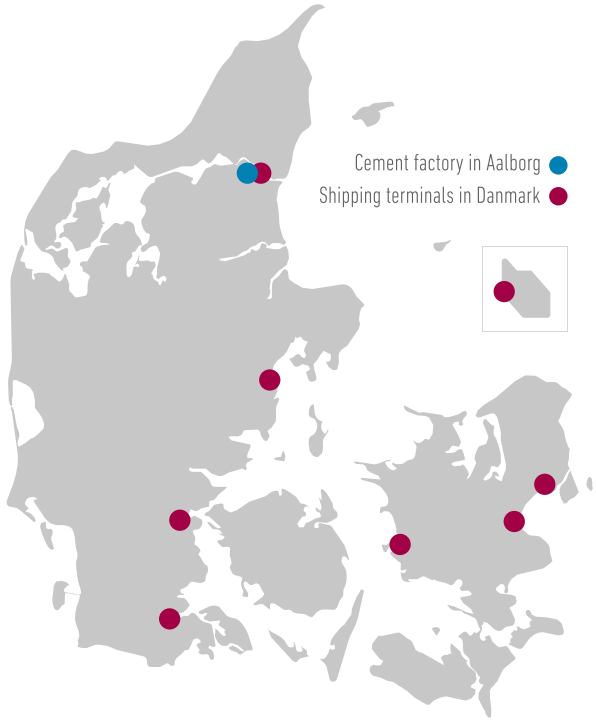
We have supplied cement to people all over the world for 135 years, predominantly in Denmark and the Nordic and Baltic countries. Besides being the most used cement in the Danish construction sector for private homes, commercial buildings, public schools and hospitals, our cement was also used for many iconic national and international projects.

These iconic projects include Denmark's 18-kilometre-long Great Belt Bridge, London's Olympic City and New York's famous Manhattan 432 Park Avenue skyscraper. For more information on Aalborg Portland, see www.aalborgportland.dk.

PART OF CEMENTIR GROUP

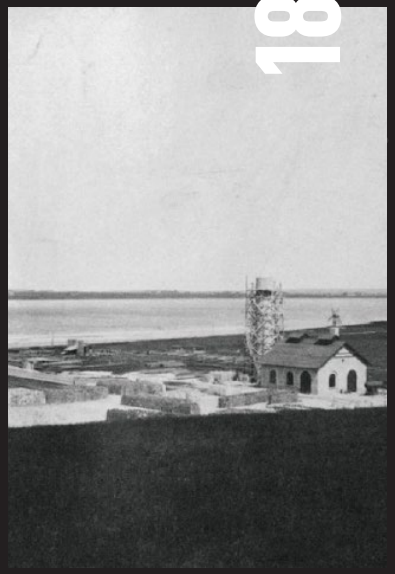
Aalborg Portland is part of Aalborg Portland Holding, which the Cementir Group acquired in 2004. Cementir is a multinational group operating in 18 countries across the building materials sector, employing around 3,000 people globally. The Group's annual production capacity amounts to more than 13 million tonnes of grey and white cement, around 10 million tonnes of aggregates and 5 million cubic metres of ready-mixed concrete. Cementir has been listed on the Milan Stock Exchange since 1955 and is one of the leading companies of the Euronext STAR Milan segment.

For more information on Cementir Group, see www.cementirholding.com, and for Aalborg Portland Holding, see www.aalborgportlandholding.com.



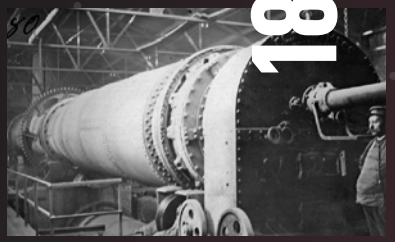
Aalborg Portland history

1889



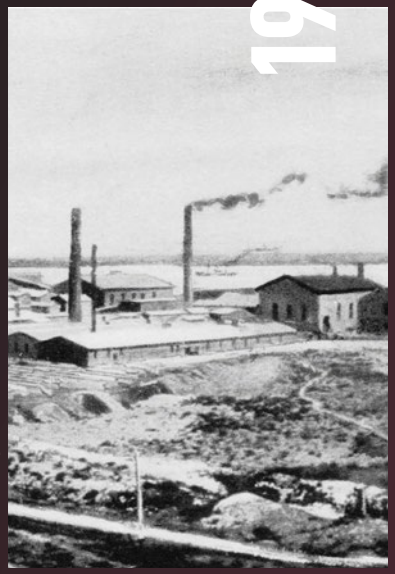
Aalborg Portland founded in 1889 by Consul Hans Holm and Engineer Frederik Læssøe Smidth.

1899



The American rotary kiln, invented by Aalborg Portland's Poul Larsen, built for the first time in Europe, as two new rotary kilns are installed at the Rørdal factory. The production capacity is significantly upgraded.

1930



Aalborg Portland starts burning white cement clinker for white cement.

1936

Engineer and director Gunnar Larsen builds a civil airport to quickly get back and forth to his home in Gl. Rye. Larsen offers Aalborg Municipality to start flights to Copenhagen, which would later become the basis for Denmark's first domestic flight route.

1975

Aalborg Portland was prepared to stop the production of white cement due to the energy crisis. However, orders suddenly began to pour in because all other cement factories had decided not to produce white cement. This contributed to the company becoming world-renowned for its white cement.

1990

Aalborg Portland builds a heat recovery plant to deliver district heating to Aalborg Municipality. Today, up to a third of the homes in Aalborg get their heating from Aalborg Portland.

2004

Aalborg Portland is acquired by the Italian cement group, Cementir Group.

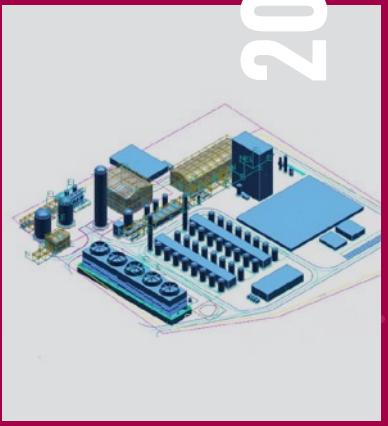
2019

Aalborg Portland celebrates its 130th anniversary and presents its first 2030 roadmap for decarbonisation towards 2030.

2023

His Majesty the King of Denmark inaugurates Aalborg Portland's new pilot plant for carbon capture.

2024



Aalborg Portland and Air Liquide jointly launch the decarbonisation initiative, ACCSION, and the carbon capture project is selected by the European Commission to receive 220 million euros in support from the EU Innovation Fund.

Our world is built on cement

Cement is primarily used to make concrete, which is the world's second-most used substance after water. Concrete has high strength, longevity, malleability and can be produced locally. Both cement and concrete are part of almost everything that surrounds us in a modern world - from private homes, schools, hospitals, and offices to roads, tunnels and bridges. However, cement is much more than concrete. It is also the binder in mortars, curbstones, and asphalt. Cement is also used in facades, ceilings, and acoustic panels.

WIND TURBINES

Concrete - and therefore cement - is used to make foundations for wind turbines

HOUSING & SCHOOLS

Private homes, apartments and schools all contain cement for concrete walls, floors, pillars, beams, stairwells, and more.

BRIDGES & TUNNELS

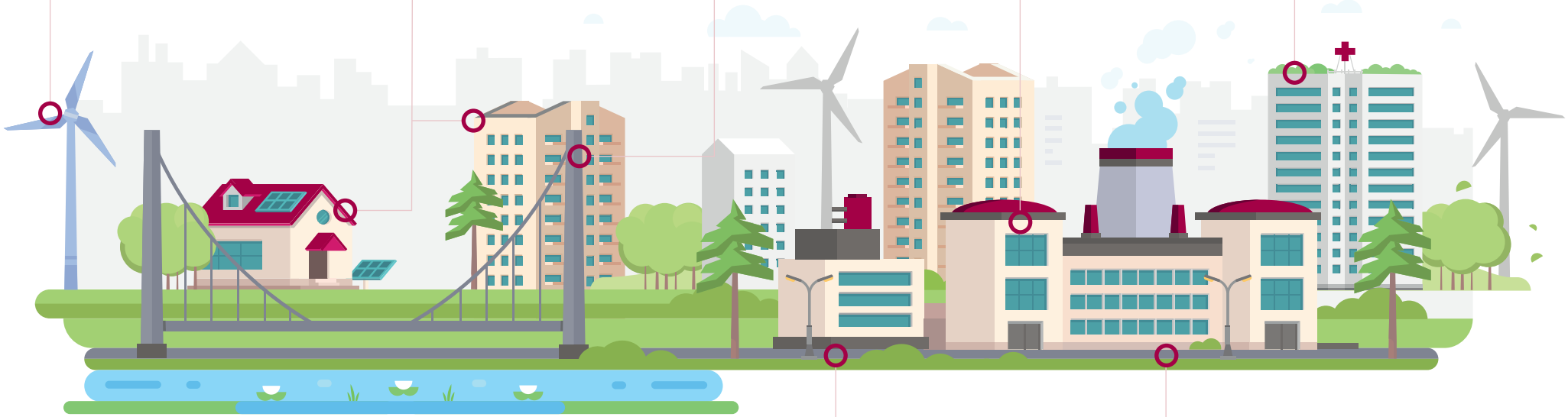
Bridges and tunnels use vast amounts of cement due to the strength and longevity of concrete

INDUSTRIAL

Factories, offices and other industrial buildings also use cement

HOSPITALS

Cement is also used for hospitals and other health institutions

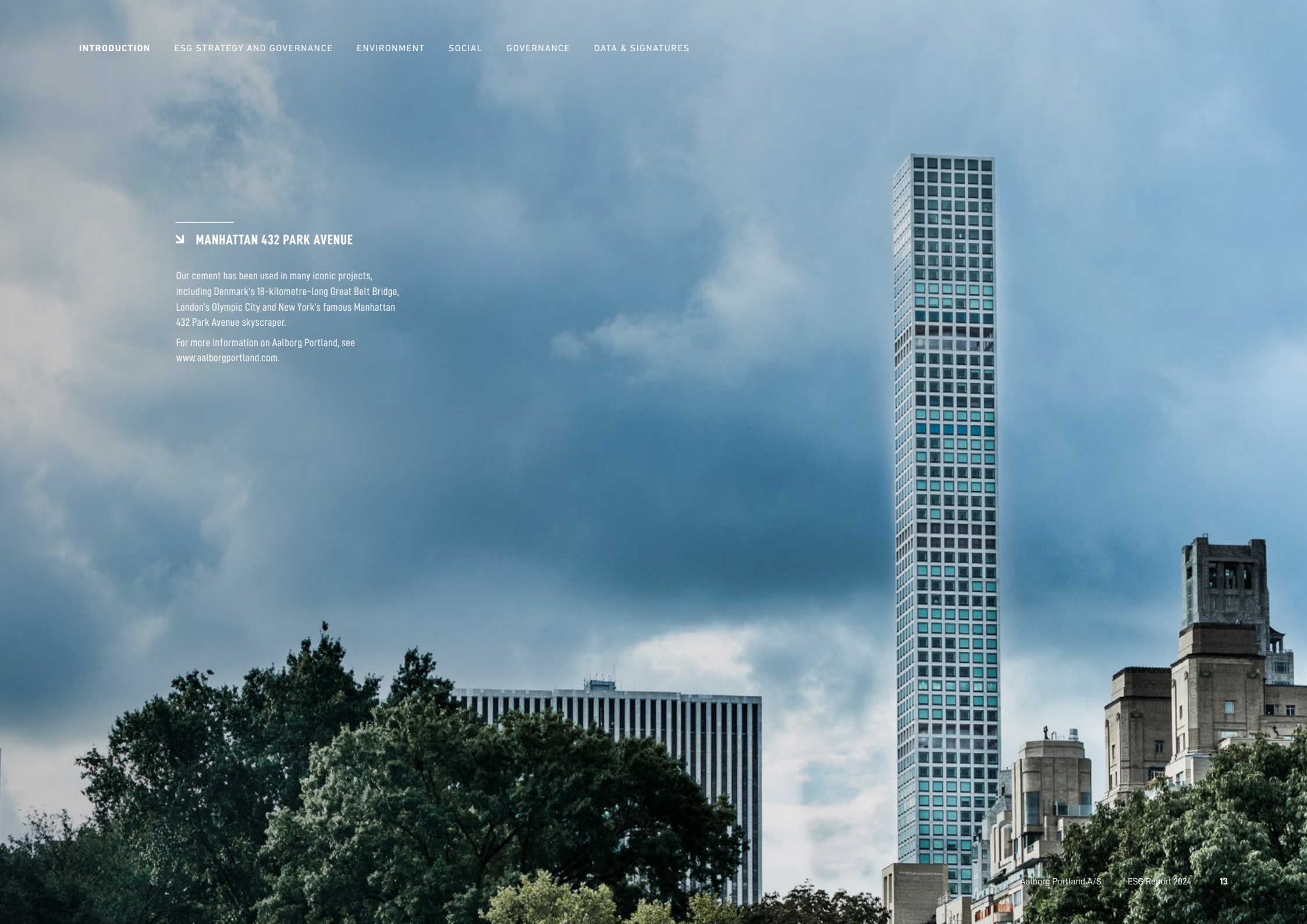


ROADS

Cement is also the binder in mortars, curbstones, and asphalt

CONCRETE PADS & TILES

Cement is used in concrete pads found in driveways and public places



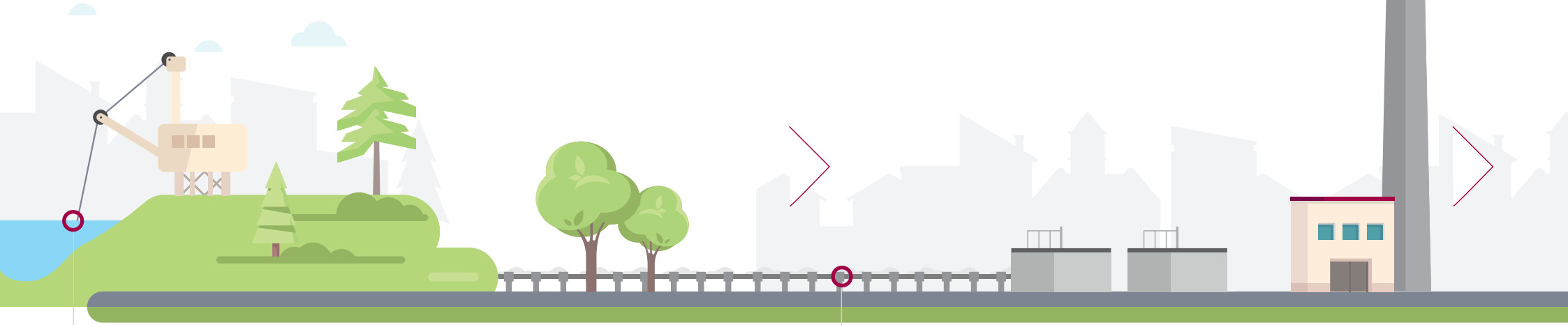
MANHATTAN 432 PARK AVENUE

Our cement has been used in many iconic projects, including Denmark's 18-kilometre-long Great Belt Bridge, London's Olympic City and New York's famous Manhattan 432 Park Avenue skyscraper.

For more information on Aalborg Portland, see www.aalborgportland.com.

Cement production from quarry to customer

Cement production is an energy-intensive process, where heavy materials are moved many kilometres in long production lines. Grey and white cement manufacturing follows an almost identical process except for kiln configuration differences.

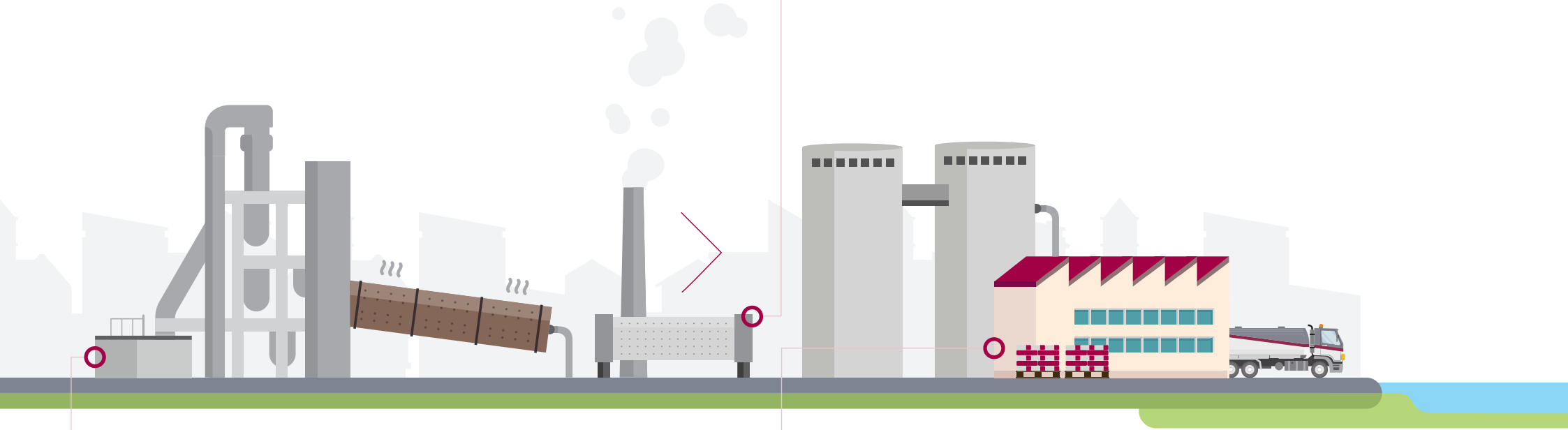


EXTRACTION OF RAW MATERIALS

Chalk and sand are the main materials in our cement products. We only have a few natural resources in Denmark, but the ones we have are essential for cement production. Our chalk is exceptionally high-quality and contains fossils that are upwards of 70 million years old. We use two giant excavators with a combined 1,750 tonnes per hour capacity to extract the chalk from our chalk quarry. The sand comes from the dredging of access channels at Aalborg Bay near Hals Barre, which is done to keep the Limfjord navigable.

INITIAL PROCESSING OF RAW MATERIALS

Our conveyor belts transport the chalk three kilometres to the plant, ready to be mixed with water in a slurry drum whilst our sand mill grinds the sand. We then combine the chalk and sand to form a kiln slurry and pump it onto the kiln system. This slurry improves the quality and quality control of the raw materials.



GRINDING OF FINISHED CEMENTS

After stockpiling, the cement mill grinds the cement clinker with other additives such as fly ash, gypsum, chalk, and calcined clay. This combination creates a fine powder known as cement. We then pump the finished cement into storage silos close to our harbour, ready for packaging and distribution.

KILN PROCESS TO CREATE CEMENT CLINKER

We inject the kiln slurry into a dryer crusher, which converts the material into a raw meal. We then convert the meal via a separating cyclone to cyclone pre-heaters heated at 750°C. From here, it moves to calciners, which heat it to 900°C, then to a 74-metre-long rotary kiln, heated gradually to 1,500°C to form cement clinker. A combination of fossil fuels, such as coal and petroleum coke, and alternative fuels, such as non-recyclable waste and biomass from other industries, powers the kiln system. As the raw material travels through the kiln system, it undergoes a series of chemical reactions, releasing the carbon dioxide that binds naturally to the chalk with the burning of fuels, which also releases carbon dioxide. One hour later, the clinker cooler cools the cement clinker and transports it to an intermediate storage facility after all chemical reactions are complete.

PACKAGING AND DISTRIBUTION

We market and distribute cement within Europe. We pack some of the finished cement into 25-kilogram bags or 1,500-kilogram big bags. Our packaging facility is fully automated and fills over 4,200 bags per hour. The harbour-side silos store the bulk cement, after which we ship it to our other facilities and have it driven to customers via truck transport. We have multiple silo facilities at strategic locations in Denmark that serve our customers quickly and eco-efficiently. The Group also have silo facilities in Belgium, France, Iceland, Norway, Poland, the Netherlands, and the United Kingdom, from which we can distribute the cement to our export markets.

ESG strategy and governance

Sustainability and corporate responsibility are integral to the way we conduct business. Cement production is an energy-intensive process that has a significant environmental impact. However, cement is an indispensable material for modern and developing societies. Our ESG strategy focuses on mitigating or minimising the negative environmental impacts so that ESG performance and business performance go hand in hand.

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26 Contribution to the Danish climate targets

ESG Framework

We have applied the United Nations Sustainable Development Goals (SDGs) as a framework to categorise our ESG priorities and actions for many years. We have identified 11 of the 17 SDGs where we can make a positive impact for our people, local communities, and the environment. Inspired by the 11 SDGs, we have set up specific ambitions, targets, and activities divided into three areas that constitute our ESG strategy.

SDG overview

This page provides an overview of the 11 SDGs we have identified, explaining why they are important to us and how we can make a positive impact.

	IMPORTANCE	WHAT WE DO
 Quality education	Labour markets are under pressure and demand is increasing for skilled and non-skilled personnel within the industry.	We provide education and training for Denmark's industrial work force. We educate apprentices, trainees and interns, recruit graduates, and provide training for our experienced personnel. We also work with universities to educate industrial PhDs.
 Gender equality	The cement industry still struggles with an unbalanced distribution of genders in the workplace.	We enact policies and actions to promote diversity and inclusion without discriminating based on gender, ethnicity, age, religion, sexuality, or other factors.
 Clean water and sanitation	Compared to elsewhere, water is generally not an issue in Denmark. But cement production consumes large volumes of water, which may strain safe water resources.	We reuse water in our production by recycling process water and by capturing rainwater from selected areas.
 Affordable and clean energy	Macro-economic tensions and the need for a dramatic change towards renewable energy sources causes energy prices to surge.	We exploit our energy-intensive production to recover waste heat from cement kilns and cold water from our chalk lake to deliver sustainable district heating and cooling at a low cost to local communities.
 Decent work and economic growth	Working in the cement industry entails an increased risk of work-related injuries, illness, and even death.	We create fruitful jobs by developing safe working environments, promoting worker's rights, and by seeing the potentials in employment for people in special conditions.
 Industry, innovation and infrastructure	New solutions and infrastructure need to be developed to reach a net zero society.	We invest and engage in mission-driven research and development projects to develop sustainable production practices, products, technology, and infrastructure.
 Sustainable cities and infrastructure	With a history spanning more than 130 years, we are an integral part of Denmark, especially in North Jutland.	We stay in close contact with our neighbors and other stakeholders to promote local and sustainable solutions, support cultural organisations, and to give back to society.
 Responsible consumption and production	Increased consumption puts a strain on natural resources, climate and the environment.	We utilise by-products and waste materials from other industries as substitutes for natural raw materials and fossil fuels in our production. We handle and recycle waste in a responsible manner.
 Climate action	Cement production accounts for approximately 7% of global greenhouse gas (GHG) emissions.	We invest in the development of low carbon products, alternative fuels, and carbon capture to reduce our scope 1 emissions by 100% by 2030 and reach net zero by 2050.
 Life on land	Cement production entails extraction of raw materials and production on large areas of land.	We rehabilitate the lands on which we operate to provide recreational areas for the public with sustainable ecosystems and biodiversity.
 Partnerships for goals	Achieving the SDGs requires strong collaborations and partnerships between industry, academia, public institutions, and government.	We run and participate in innovative projects and partnerships to develop new solutions and technology that can contribute to the sustainable development of cement and society.

Governance model

As a local business unit in a global group, we rely on clear governance and strong alignment with the Group sustainability strategy to realise our ESG ambitions and commitments.

Our **Board of Directors** is responsible for setting the strategic direction for our business. Together with the Executive Board, it shapes the overall ESG ambitions and commitments in alignment with the business strategy.

A **Group Sustainability Committee** has been formed by the Group Board of Directors to ensure that our ESG ambitions, priorities, and progress are properly linked to the Group's sustainability strategy and related policies.

Our **Executive Board** drives ESG strategy updates and implementation in alignment with the Board of Directors.

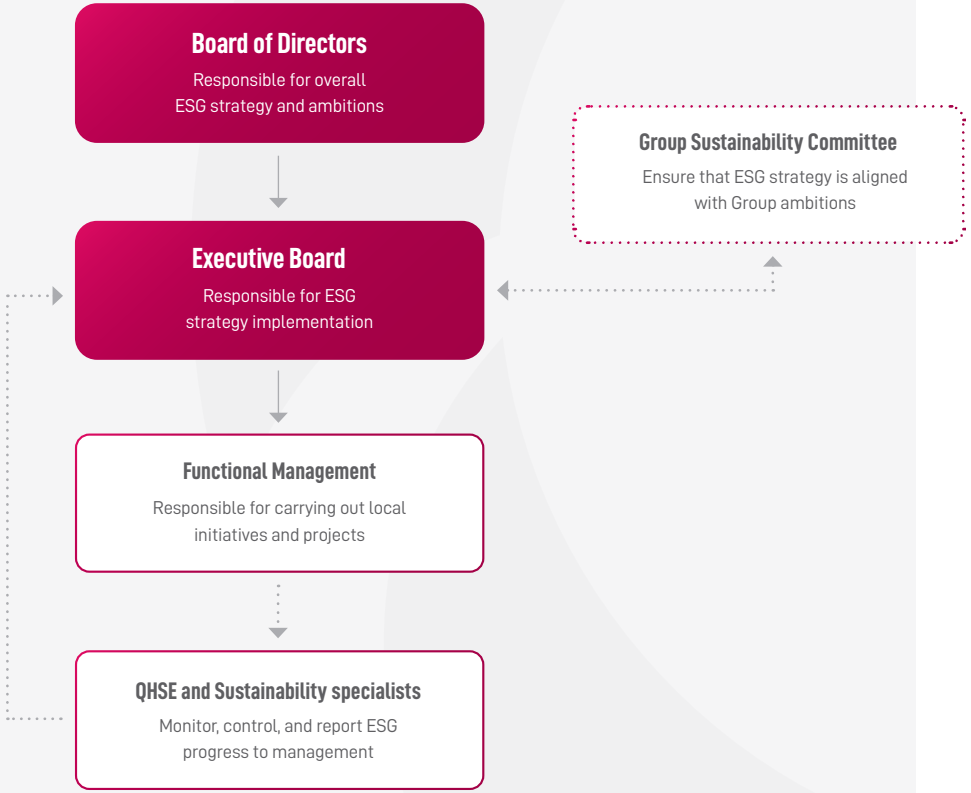
Functional Management has the local responsibilities for implementing the ESG strategy. Quality, Health & Safety, and Environment (QHSE) and sustainability specialists support the strategy, ensuring that each function focuses on relevant sustainability projects and that actions are anchored in the business.

QHSE and Sustainability specialists are responsible for regular monitoring and progress reports on our ESG priorities and KPIs to the Executive Board and relevant Group entities.

Our management system for QHSE

In Aalborg Portland, we manage and document our core sustainability activities through our integrated management system that embraces quality, environment, energy, and health and safety.

The management system is certified by Bureau Veritas and conforms to international standards, including ISO 9001 (Quality), ISO 14001 (Environment), ISO 50001 (Energy), and ISO 45001 (Health & Safety). The management system is subject to an annual external audit to assess its effectiveness and compliance. The audit is based on objective testimony by review of business processes and analysis of data.



RISK ASSESSMENT AND POLICIES

Part of our sustainability governance is to adopt and implement the necessary policies required to address the principal risks associated with our business activities. The main risks and associated policies are highlighted below which have also informed our decisions on materiality for our ESG strategy and reporting.

	THEMES	RISK ASSESSMENT	RELEVANT POLICY	KEY POLICY POINTS
ENVIRONMENTAL	**Climate change**	Cement production accounts for around 7% of global GHG emissions, making a significant contribution to global warming. Reducing our emissions is fundamental to reducing our impact on the environment and mitigating the financial and business risks of carbon pricing schemes.	• CSR Policy • Environment and Energy Policy	We take responsibility for reducing our emissions and those taking place in our value chain. We are obligated to reduce our environmental footprint and develop new technologies and solutions that help decarbonise society. Our certified management system complies with external standards, including ISO 14001.
	Natural resources and energy	Many of the raw materials and fuels used in our production involve significant environmental impacts, namely fossil fuels like coal, petroleum coke, and oil, which also have a high impact on the climate.	• CSR Policy • Environment and Energy Policy	We promote sustainable development by using alternative raw materials and alternative fuels. We develop products that consume fewer natural resources and energy. Our certified management system complies with external standards, including ISO 50001.
	Water	Compared to elsewhere, water is generally not an issue in Denmark. But our water consumption is considerable, as water is used in our manufacturing processes and for cooling our production plant.	• CSR Policy • Water Policy	Water consumption must be monitored, controlled, managed, and reduced through the recycling, reuse and minimisation of wastewater discharge and freshwater withdrawal.
	Waste handling	We handle large volumes of waste, including hazardous substances, and chemicals. This waste poses a risk to our employees and other stakeholders regarding contamination and environmental and safety accidents.	• CSR Policy	Our certified management system complies with external standards, including ISO 14001. We handle all waste in a responsible and environmentally correct manner. We sort all waste close to the source and deposit it in designated containers.
	Land use and biodiversity	Our operations involve extraction of raw materials and production on large land areas. We own 1,200 hectares of land close to the city of Aalborg and have many and close interactions with neighbours and local communities.	• CSR Policy • Biodiversity and Rehabilitation Guideline	Our fundamental principles are to respect, protect, and preserve the land on which we operate, including its rich ecosystems and biodiversity. We have a Quarry Rehabilitation Plan in place, ensuring that we rehabilitate the land used for operations in an effective and responsible manner.

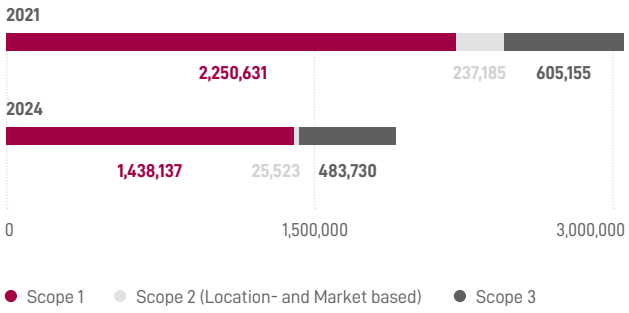
	THEMES	RISK ASSESSMENT	RELEVANT POLICY	KEY POLICY POINTS
SOCIAL	**Health and safety**	As we operate in an energy-intensive industry, there is an increased risk of work-related injuries, illness, and even death. Many of our processes are not of high risk, but accidents may occur.	• CSR Policy • Occupational Health & Safety Policy • Working Environment Policy	We provide a safe and healthy working environment, preventing accidents and implementing systems to detect, avoid and respond to potential risks. All activities must comply with legal requirements and internal standards Our certified management system complies with ISO 45001.
	Diversity and inclusion	We are the only cement manufacturer in Denmark, working in a historically male-dominated industry. Therefore, we risk losing valuable people and talent in a pressured labour market if we do not create an inclusive working environment with zero tolerance of discriminations.	• CSR Policy • Diversity, Equity and Inclusion Policy • Gender Diversity in Management Policy • Working Environment Policy	We do not accept discrimination based on race, national or social origin, religion, disabilities, age, gender, sexual orientation, union membership, political opinions or other factors. We establish systems to avoid, report and manage discriminating actions. Likewise, we set targets for gender diversity in management and give all employees the same opportunities to pursue a management career regardless of gender.
	Human rights	In Denmark, human rights are generally protected by law, and the risk of violations is therefore considered to be low. However, the Group has an international presence, including in countries characterised as high-risk countries. It is likely that there is a risk of human rights violation in connection with our value chain.	• CSR Policy • Human Rights Policy	We protect human rights and treat our employees with dignity and respect. We support the protection of internationally proclaimed human rights as set out in the UN Universal Declaration of Human Rights, the European Convention on Human Rights and in the fundamental conventions of the International Labour Organisation (ILO). We apply the same requirements to business partners and suppliers as we do to ourselves.
GOVERNANCE	**General business ethics**	We are founded on strong values and our Code of Ethics to ensure all activities are conducted in a framework of integrity, correctness and compliance. The Code applies to everyone in the Group, but as we are an international company operating across countries and cultures, there is a risk that not everyone adheres to our guidelines.	• CSR Policy • Code of Ethics • Approval Policy • Supplier Code of Conduct • Data Ethics policy • Anti-bribery Policy	We have enacted various codes and policies to guide our employees and business partners on how to comply with good business conduct and legal requirements. We ensure that anyone can safely report any violation th-rough a whistleblower system and other channels, making fair sanctions, and periodically controlling compliance with our codes and policies.

Roadmap to deliver net zero by 2050

The Global Cement and Concrete Association (GCCA) has put forward an ambitious yet realistic plan for the global cement industry to achieve net zero by 2050 and thereby help limit global warming to 1.5°C as per the Paris Agreement. At Aalborg Portland, we support this ambition and commit to a long-term plan to become net zero by 2050 at the latest. This now includes a full reduction of our scope 1 emissions by 2030.

Scope 1-2-3 Emissions 2021-2024

CO2 IN KTONNES



The net zero by 2050 target is defined by 3 types of emissions. Direct GHG emissions (scope 1), indirect GHG emissions from energy (scope 2) and indirect GHG from supply chain (scope 3).

The total carbon footprint (emissions from scope 1 ,2 and 3) was 1,947,390 tonnes in 2024. This is a reduction of 37% or 1.1 million tonnes of CO_2 compared to the 2021 baseline of 3,092,971 tonnes.

2030 PLAN TO BECOME CARBON NEUTRAL ON SCOPE 1 EMISSIONS

The first major milestone on our net zero path is to reduce our scope 1 emissions. As a result of the investment in a carbon capture plant with a capacity of 1.4 million tonnes of CO_2 per year and the EU Innovation Fund's commitment to support this, our 2030 target of a 73% reduction in our direct CO_2 emissions (scope 1) compared to 2021 levels is increased to 100%.

Our climate plan now targets carbon neutrality for scope 1 emissions and the ability to produce carbon neutral cement by 2030. This ensures that cement produced in Denmark will be amongst the world's most sustainable by 2030. In our pursuit, we will adopt all necessary measures and the most innovative technological solutions available to minimise the impact of our business on the environment. These measures are categorised in three interlinked strategic initiatives: alternative fuels, new products, and carbon capture and storage.

Aalborg Portland's ambitions for the transition from fossil fuels to alternatives remain unchanged, and we have already come a long way in this regard. Towards 2030, CO_2 emissions must be further reduced through the increase of the use of biomass from waste products, and through the switch from coal and pet coke to biogas. With a large carbon capture and storage plant, it is possible to capture all direct CO_2 emissions from two kilns and additional CO_2 volumes from biogenic fuels. This means that we not only become CO_2 neutral but also have the potential for our production to become CO_2 negative.

VALIDATED BY THE SCIENCE BASED TARGETS INITIATIVE (SBTI)

The Science Based Target Initiative (SBTi) validated the Cementir Group's emission reduction objectives in line with the Paris Climate Agreement of limiting global warming to below 1.5 degrees. At Aalborg Portland, our ambition is to spearhead the green transition across the entire Group.

Aalborg Portland's road to net-zero emissions

2021
2.3M TONNES
(SCOPE 1 - BASELINE YEAR)

2030
0.0M TONNES (-100 %)
(SCOPE 1)

2050
NET-ZERO
(SCOPE 1-2-3)

SCOPE 1 EMISSIONS REDUCED BY 36% SINCE 2021

Following a focused effort and significant investments, Aalborg Portland has reduced its absolute scope 1 emissions from 2.251 million tonnes of CO_2 in 2021 to 1.438 million tonnes of CO_2 in 2024.

This reduction of 813,000 tonnes corresponds to a 36% decrease compared to the 2021 baseline and is driven by three strategic initiatives concerning fuels, new products, and market/leakage.

Fuels

A significant share of the reduction (21pp) has been achieved through a substantially increased ratio of biogenic waste in the fuel-mix for grey clinker production. More specifically, fossil fuels such as coal and pet coke are gradually replaced by partially biogenic waste fuels, including RDF, granulate and textiles from recycled car tyres, as well as meat and bone meal. While significant progress has already been made, further reductions are planned through increased use of waste fuels and technical upgrades of the Aalborg plant, enabling the use of gas and biogas from the Danish gas grid.

New products

Another (6pp) reduction is achieved through the transition towards new CO_2-reduced cement products with lower clinker content. This has been enabled by the development and introduction of new products such as FUTURECEM®, SOLID cement, and Aalborg White D-Carb®, which contain a significant share of low-carbon SCM (Supplementary Cementitious Material) as a replacement for traditional cement clinker. Progress in this area has been slower than expected due to limited market demand for low-carbon cements.

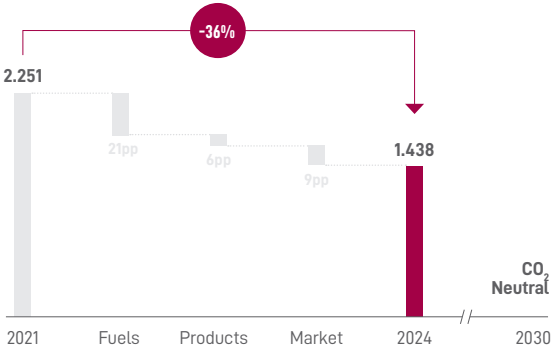
However, we expect demand to increase with the introduction of the 2025 Danish building regulation (BR25), which imposes stricter limits on CO_2 emissions in new construction.

Market/Leakage

The remaining 9pp reduction is due to a decline in market demand, primarily driven by the discontinuation of white cement exports outside the European ETS-regulated region.

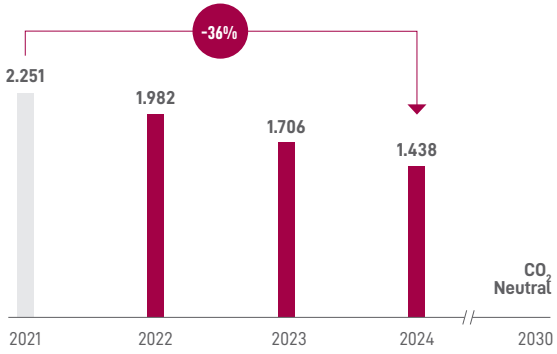
Scope 1 Emissions 2021-2030

CO2 IN MILLION TONNES



Scope 1 Emissions 2021-2030

CO2 IN MILLION TONNES



PLAN FOR REDUCING SCOPE 1 EMISSIONS

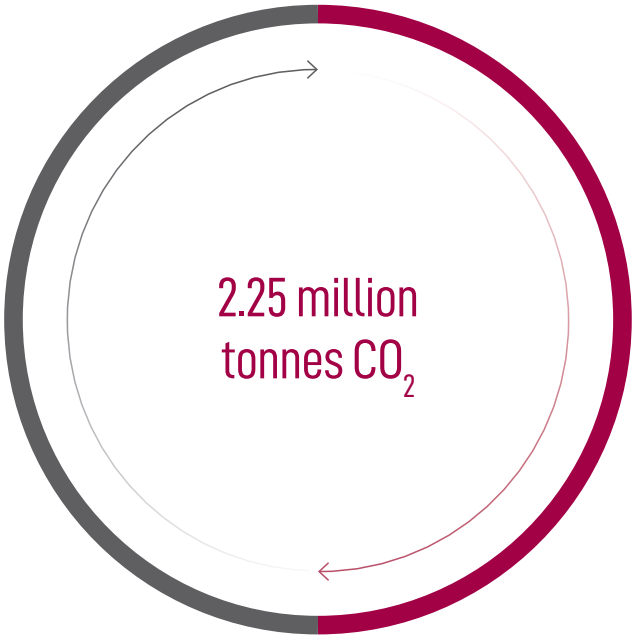
From 2.25 million tonnes of CO_2 in 2021 to CO_2 neutral in 2030

→

Half of total Scope 1 CO_2 emissions in 2021 were attributable to the chemical processes in cement production, which release carbon naturally bound in chalk. In the future, these emissions will be neutralised through the introduction of a full-scale carbon capture facility, enabling zero emissions by 2030.

Scope 1 Emissions 2021

CO2 IN MILLION TONNES



- Chalk (50%)
- Fuels (50%)

Scope 1 Emissions 2030

CO2 IN MILLION TONNES

- Carbon Capture (55%)
- Alternative Fuels (30%)
- New Products (15%)

CASE

A decisive step toward decarbonisation

ACCSION - Driving the Future of Low-Carbon Cement

At Aalborg Portland, we are taking a decisive step toward the decarbonisation of cement production with ACCSION, one of the first full-scale onshore carbon capture and storage (CCS) projects in Europe. Developed in partnership with Air Liquide, the project's technical partner, ACCSION will significantly reduce CO_2 emissions from our cement production and establish one of the most advanced CCS value chains on the continent.

Scaling up carbon capture

ACCSION is designed to capture 1.4 million tonnes of CO_2 per year at our plant, representing one of the largest carbon capture projects in the cement industry. The full effect of the project will lead to a total CO_2 reduction of 1.5 million tonnes annually, thanks to the integration of recovered heat into Aalborg's district heating system. Using Air Liquide's Cryocap™ technology, the project will capture and purify approximately 95% of CO_2 emissions from our biggest cement kilns, which will then be transported via a dedicated pipeline infrastructure for permanent storage.

The EUR 220 million in funding from the EU Innovation Fund is a crucial milestone in realising this project. This support highlights ACCSION's role in the EU's Industrial Carbon Management Strategy and its ambition to reach net-zero emissions by 2050.

A transformational project in a hard to abate industry

Cement production is inherently difficult to decarbonise due to the process emissions from limestone calcination. Unlike fuel-related emissions, these cannot be mitigated by fuel substitution alone, making CCS a critical technology for achieving carbon neutrality.

ACCSION will enable the large-scale supply of low-carbon cement, helping Denmark's construction industry reduce its carbon footprint. In addition, the project will contribute to sustainable district heating, using surplus heat from the CO_2 capture process to provide energy for 20,000 local households.

Part of our climate roadmap

Aalborg Portland's commitment to carbon capture is a key pillar of our climate roadmap, which aims to reduce CO_2 emissions and achieve CO_2 neutrality in our own emissions by 2030.

ACCSION represents a long-term investment in the future of cement production, ensuring that the material remains an essential part of sustainable construction.

Through innovation, collaboration, and investment in cutting-edge technology, Aalborg Portland is part of the solution, shaping the future of sustainable cement production - one step at a time.

FACTS

- Project Name: ACCSION (Aalborg CCS using Infrastructure Onshore in North Jutland)
- Partners: Aalborg Portland & Air Liquide
- Funding: EUR 220 million from the EU Innovation Fund
- CO2 Capture Capacity: 1.4 million tonnes per year
- Total CO2 Reduction Impact: 1.5 million tonnes per year

Funded by the European Union

Disclaimer: Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Climate, Infrastructure and Environment Executive Agency (CINEA). Neither the European Union nor the granting authority can be held responsible for them.

Contribution to the Danish climate targets

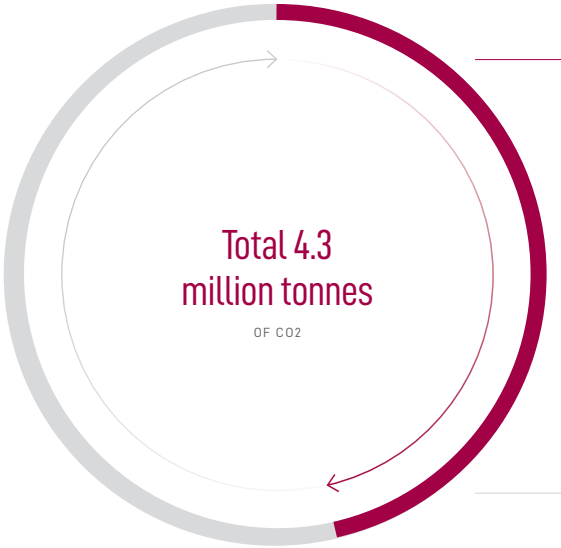
In 2020, the Danish Parliament passed the Danish Climate Act. The goal is to achieve a 70% reduction of GHG emissions by 2030 and climate neutrality by 2050. With our new targets for 2030, Aalborg Portland's reduction of approximately 2 million tonnes will contribute substantially to the national goals by delivering the single largest CO_2 reduction in Danish history.

Following the Danish Climate Act, a vast majority of the Danish Parliament agreed on a green tax reform in June 2022. The Danish industry sector is to deliver 4.3 million tonnes of CO_2 reductions by 2030. With our new carbon reduction strategy, we aim to contribute with 46% to the industry's total reductions.

We fully support the Danish carbon reduction targets. Our CO_2 reduction strategy is a clear testament to that. We are currently the only company in Denmark to have signed a CO_2 reduction agreement with the Danish Government committing to reduce carbon emissions by at least 600,000 tonnes. In addition, we chair the Government's Climate Partnership for Energy-Intensive Industries, which is represented in the Green Council. We are now raising our ambitions further and are proud to become CO2-neutral on direct emissions while also being the single largest contributor to Denmark's reduction targets in 2030.

Industrial GHG emissions reduction in Denmark by 2030

CO2 REDUCTION IN PERCENT



Aalborg Portland's contribution 46%

Applying the 2022 scope 1 emissions of Aalborg Portland we contribute with 46% of the total emission reductions of the Danish industrial sector in 2030 according to the green tax reform.

Denmark's total reduction

The Danish goal is to reduce the territorial greenhouse gas emissions by 70% by 2030.

"WE ARE PROUD TO SAY THAT WE WILL BE THE SINGLE-LARGEST CONTRIBUTOR TO THE DANISH REDUCTION TARGETS IN 2030."

Environment

Cement production is an energy-intensive process with an evident environmental impact, due to the consumption of natural resources and carbon emissions.

Cement also requires large land areas for quarrying and production. However, with the right actions, these impacts can be effectively managed and mitigated.

IN THIS CHAPTER

29 Greenhouse Gas Emissions
34 Product innovation
38 Resource efficiency and circularity
41 Land use and biodiversity

Greenhouse gas emissions

The reduction of greenhouse gas emissions is by far the greatest and most urgent challenge of this decade. Cement shares the same inherent CO_2 challenges no matter where it is produced.

Cement production emits CO_2 from two main sources: the combustion of fuels used to heat chalk to 1,500°C, and the release of CO_2 that is naturally bound in chalk during the heating process. These two sources alone constitute more than 99% of our scope 1 emissions. Therefore, our CO_2 reduction strategy centres around reducing our direct emissions from the stacks. We are targeting carbon neutrality in our scope 1 emissions by 2030 compared to the 2021 baseline. In doing so, Danish-produced cement will be positioned among the most sustainable in the world and will significantly contribute to UN Sustainable Development Goal 13, "Climate Action".

DIRECT GHG EMISSIONS (SCOPE 1)

In 2024, scope 1 emissions decreased by 16% to 1,438,137 tonnes. This emission reduction is an important step in our reduction strategy.

To reduce our scope 1 emissions further, we work with three interlinked strategic initiatives: replacing fossil fuels by increasing the share of alternative fuels, developing and marketing new low-carbon products and establishing a full-scale carbon capture facility.

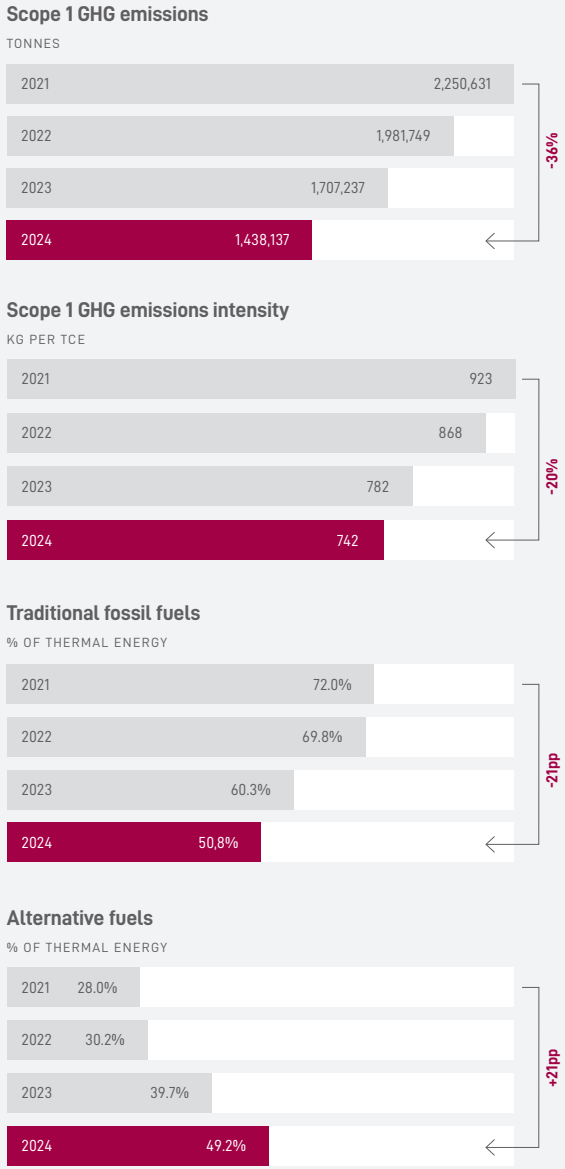
Alternative fuels will deliver 40% of our CO_2 reductions

A significant initiative to reduce our scope 1 emissions is to increase the share of alternative fuels when heating our cement kilns. By 2030, we aim to replace coal and petroleum coke with alternative sources, delivering CO_2 reductions of approximately 900,000 tonnes annually.

In 2024, we managed to increase the amount of thermal energy from alternative fuels from 40% to 49% in line with our ambitions for the year.

In the coming years, we will focus on increasing the share of nonrecyclable wastes and sustainable biomass in our fuel portfolio. This share will include co-processing of refuse-derived fuels (RDFs) and various biogenic byproduct streams such as meat and bone meal, agricultural waste, and wood pellets. All bio products fully comply with sustainability and GHG emission saving criteria defined in the Renewable Energy Directive (RED II) 2018/2001/EU.

We will also gradually introduce natural gas from 2026, which emits 40% less CO_2 compared to coal and petroleum coke. Later, we will convert natural gas to biogas, which is carbon neutral. We have entered into an agreement with the Danish gas distribution company, Evida, and the pipeline has been installed and commisioned.



Waste-to-energy in cement is key to circularity

Co-processing not only results in significant CO_2 reductions from cement production, but also supports a truly circular economy where we recycle waste to reduce society's dependency on imported fossil energy, safely dispose of residues, and deliver sustainable energy to heat local communities.

In addition to circularity of energy, we now have a plan to capture the CO_2 when fuels are burned. In accordance with the ACCSION project, we will capture CO_2 in the flue gas from two kilns. The captured CO_2 has a fossil and biogenic fraction. Both fossil and biogenic CO_2 are planned to be safely stored onshore; but the fraction of biogenic CO_2 can potentially also be utilised in other industries like the production of green methanol. The full-scale carbon capture facility will also recover waste heat and deliver district heating to local communities, just as we do with waste heat from our cement kilns today.

Developing future cements in Aalborg

The second strategic initiative to reduce our scope 1 emissions is to lower our cement's clinker content, which requires extensive research and development (see more in the section "product innovation"). By 2030, we expect that low-carbon cement developed in Aalborg will deliver carbon reductions of more than 300,000 tonnes per year, equivalent to 15% of our emissions in 2021.

CCS - The ACCSION project will capture and store 1,400,000 tonnes of CO2 per year

Chalk releases naturally bound carbon when it is calcined to produce cement clinker, and we cannot produce cement without chalk.

Therefore, carbon capture is inevitable to achieve sustainable cement production. Our ambition with the ACCSION project is to establish a large-scale carbon capture facility in our plant, capturing at least 1,400,000 tonnes of CO_2 per year by 2030, equivalent to 55% of our emissions in 2021. Development of carbon capture and storage will play a critical role in reaching carbon neutrality by 2050 for Aalborg Portland.

INDIRECT GHG EMISSIONS (SCOPE 2)

Our scope 2 emissions were 25,523 tonnes in 2024, primarily driven by the purchase of electricity to run our cement kilns and mills and to cover the plant's base power load. Scope 2 emissions are not directly linked to cement production, as it reflects electricity needed to run the entire plant while also taking into account the renewable mix of the national power grid. Our main focus is on energy efficiency in existing production units which has led to new ideas and the launch of several new energy saving projects. To lower scope 2 emissions and to support the development of renewable electricity and the Danish Climate Act, we have acquired green electricity certificates.

Own production of renewable energy

In 2024, we consumed 266,770 megawatt hours of electricity, making Aalborg Portland one of Denmark's largest industrial power consumers. Owning more than 1,000 hectares of land around our plant enables us to support on-site renewable power generation, including wind and solar.

To support this transition, we aim to establish at least two wind turbines and 50 hectares of solar panels on our premises. These wind turbines and solar panels will enable us to produce more than 25% of our current electricity demand. The project is in collaboration with Eurowind Energy A/S.

For more information, please see www.energiparkaalborg.dk.

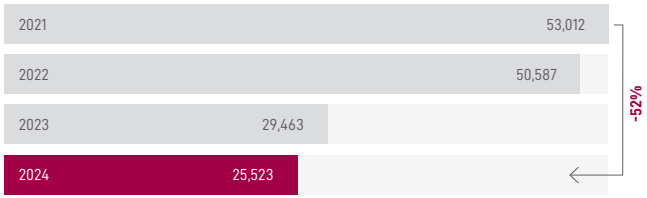
INDIRECT GHG EMISSIONS (SCOPE 3)

Our scope 3 emissions were 483,730 tonnes in 2024, representing indirect emissions occurring in our value chain such as the generation and transportation of raw materials and fuels, and the distribution of finished products to our customers. Scope 3 emissions are therefore not directly linked to cement production. To achieve carbon neutrality in our supply chain, we must include CO_2 emissions in all sourcing decisions and promote zero-emission transportation solutions throughout our supply network.

In 2024, the distribution of cement from Aalborg Portland included handling and transporting nearly 2 million tonnes of product to domestic

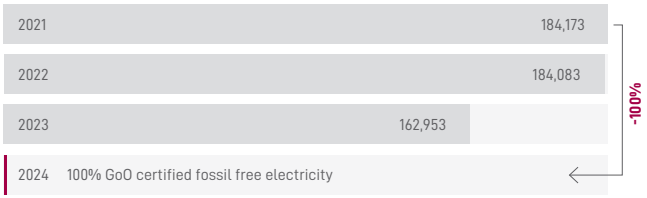
Scope 2 GHG emissions (Location-based)

TONNES



Scope 2 GHG emissions (Market-based)

TONNES



Electricity consumption

MWH

and export markets. Our distribution of cement to export markets is limited to ship transport to terminals abroad. In contrast, cement in Denmark is distributed by both sea and road to local terminals and customers. Shipping helps reduce CO_2 emissions from road transport and is a more sustainable option due to its economies of scale.

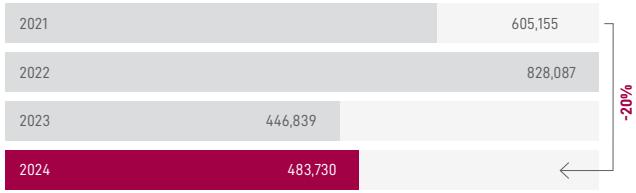
Working with carriers to decarbonise transportation
For distribution by ship, our main short-term initiative is to work with freighters that can deliver our products using newer energy efficient vessels, thereby reducing fuel consumption per tonnes carried. In the long term, the industry will shift from fossil fuels towards new and more climate-friendly fuels. For distribution by road, our focus is to work with our carriers to find the right balance between fleets running on electricity for short-distance transportation and green fuels.

OTHER AIR EMISSIONS

Other air emissions from cement production are mainly SO_2 and NOx emissions, which stood at 377 tonnes and 2,335 tonnes in 2024, respectively. SO_2 is removed from flue gasses in white cement kilns using installed scrubbers, whereas the preheater tower on the grey cement kiln acts as a scrubber. NOx is removed by staged combustion in the white kilns, whereas a method of selective non-catalytic reaction (SNCR), which involves the injection of ammonia into the flue gasses, removes NOx in the grey kiln.

Scope 3 GHG emissions

TONNES



CASE

Carbon capture pilot projects

Over the past five years, Aalborg Portland has made significant strides in advancing CCS implementation through a series of research and demonstration projects.

The first project, **Greencem** (2020–2022), focused on identifying the most suitable carbon capture technology for Aalborg Portland. This led to the first on-site techno-economic assessment of CCS. Project partners included Aalborg Portland, Port of Aalborg, Aalborg Energi Holding, European Energy, Aalborg University, and Cemtec Fonden (Hydrogen Valley). The project had a total budget of EUR 1.5 million and it was mainly funded by the Energy Technology Development and Demonstration Program (EUDP).

The second project, **CORT** (2022–2025), involves a pilot plant designed to test advanced amine solvents and explores new heat integration methods - such as heat pumps - to improve cost efficiency. Project partners include Pentair, Aalborg Portland, DTU, Ørsted, Aalborg University, and FORCE. The pilot plant, capturing 1 tonne of CO_2 per day, operated at Aalborg Portland from October 2022 to October 2023. The project has a total budget of EUR 2.6 million, with EUR 1.7 million in funding from the INNO-CCUS partnership supported by the Danish Innovation Fund.

The third pilot project, **ConsenCUS** (2023–2024), aimed to develop and demonstrate innovative, electricity-based CCUS technologies while promoting carbon-neutral industrial clusters through a combination of technological, economic, and social approaches. The project involved partners from the Netherlands, Denmark, the United Kingdom, Romania, Greece, China, and Canada. A mobile demonstration plant capable of capturing 100 kg of CO_2 per hour was operating from November 2023 to March 2024. The project had a total budget of EUR 13 million, funded by the EU's Horizon 2020 programme and co-financed by project partners.

Lastly, **CASPER** (2024–2026) focuses on capturing CO_2 and investigating pipeline transport and storage solutions. The project reuses the same plant from CORT, now upgraded with a liquefaction unit and intermediate CO_2 storage, and will operate between 2025 and 2026. Project partners include Pentair, Aalborg Portland, DTU, DTI, Evida, DGC, and Gas Storage Denmark. CASPER has a total budget of EUR 2 million, with EUR 1.3 million funded by the INNO-CCUS partnership through the Danish Innovation Fund.

Other air emissions		2024	2023	2022	2021
SO_2 emissions	TONNES	**377**	577	786	1174
SO_2 emissions intensity	TONNES	**0.19**	0.26	0.34	0.48
NOx emissions	KG PER TCE	**2,335**	2,414	2,706	2,671
NOx emissions intensity	KG PER TCE	**1.20**	1.11	1.18	1.09

RECORD HIGH TSR ACHIEVED IN 2024

In 2024, Aalborg Portland achieved a record-high Thermal Substitution Rate (TSR) - a significant milestone in our sustainability journey.

This result reflects strong cross-organisational coordination and dedicated teamwork, with all parts of the organisation contributing to the delivery of our strategic sustainability targets.

Opportunities and challenges in fuel selection

Fossil fuels such as coal and petcoke are commonly used in cement production due to their high and consistent calorific value and ease of use. However, they also carry a high environmental impact, especially regarding CO_2 emissions.

To reduce this impact, Aalborg Portland uses a growing share of alternative fuels - energy sources that replace fossil fuels in the production process. These include selected waste and by-products with usable calorific value, such as refuse-derived fuel (RDF), typically made from non-recyclable plastics (excluding PVC), cardboard, paper, and foil. Other alternative fuels include rubber and textiles from tire recycling, as well as biomass sources like meat and bone meal (MBM) and cashew nutshells.

THERMAL ENERGY

Thermal energy is essential in the process of creating cement clinker. Some of the final chemical reactions occur at approx. 1500°C and large amounts of fuels are therefore needed. Fuels are divided into two categories: fossil fuels and alternative fuels – TSR refers to the proportion of fossil fuels that are replaced by alternative fuels.

The advantage of alternative fuels is lower CO_2 emission. The disadvantage is lower calorific value, higher moisture content, varying quality, and the necessity for dedicated storage space and specialised feeding equipment, which requires additional maintenance.

Put simply, using alternative fuels presents a number of operational and logistical challenges, which can only be addressed through close coordination across the entire organisation.

Redesigning the fuel supply model

Traditionally, fossil fuels like coal and petcoke dominate the energy landscape, with procurement based on global commodity markets and established supply chains. Transitioning to sustainable fuels, however, requires a fundamental shift - from transactional purchasing to long-term strategic partnerships. We now focus on building close collaborations with suppliers to co-develop reliable and scalable fuel solutions, ensuring a more stable and sustainable supply.

Alternative fuels and biomass sources have strict storage limitations and require careful handling due to regulatory constraints. To address these challenges, we have redesigned our supply chain to function almost like a Just-In-Time (JIT) model. This setup relies on continuous planning and real-time coordination between production, procurement, quality, and maintenance teams. It allows us to handle fluctuations in fuel availability and demand efficiently, minimise disruptions, and maintain steady, uninterrupted consumption of alternative fuels.

Ongoing testing and optimisation

We continue to test high-quality alternative fuels; thus, gaining valuable insights into which fractions are most suitable. The results so far are promising. In 2024, our grey kiln reached a 100% TSR during short operational periods - and through continued optimisation and innovation, we aim to make these periods more frequent and constant. This progress reflects our ability to innovate without compromising operational efficiency. The transition to alternative fuels is ongoing, and our capacity to adapt and refine the process will remain key to achieving our carbon reduction goals. We are committed to pushing the boundaries of sustainable fuel integration in cement production.

CASE

Nutshells fuel the transition - and product quality

In 2024, Aalborg Portland significantly increased the use of cashew nutshells - a biogenic fuel that helped drive the record-high Thermal Substitution Rate.

Beyond replacing fossil fuels, cashew nutshells offer several operational benefits. When combined with other alternative fuels, they improve transport capacity into the kiln system, helping to maintain stable fuel flow and performance.

Notably, they also have a positive effect on cement quality, making cashew nutshells a valuable fuel from both a sustainability and product perspective.

It may sound nuts, but the 2024 TSR result could not have been achieved without them.

CASE

Meat and Bone Meal (MBM)

Safely turning waste into value

FACTS

- The main burner of our grey cement kiln consumes the volume of meat and bone meal equivalent to an elephants weight in 40 minutes

Get more info at **aalborgportland.com**

One of the key contributors to the record-high TSR in 2024 is meat and bone meal (MBM) - a biogenic waste fuel that, with the right precautions, can be safely utilised in cement production.

Although MBM is classified as a high-risk material by veterinary authorities, Aalborg Portland has implemented stringent measures to ensure it is handled with the utmost care. These measures are designed to prevent any risk of contamination to humans or the animal food chain.

With optimised logistics and close collaboration with suppliers and production teams, we significantly increased the utilisation of MBM in 2024. This required precise planning and coordination to ensure safe, stable, and efficient integration into the fuel mix.

In addition to supporting our thermal substitution rate, the use of MBM also contributes to responsible waste management and circular resource use - turning a complex material into a valuable contributor to Aalborg Portland's decarbonisation journey.

Product innovation

Aalborg Portland has a long-standing tradition of developing innovative cement solutions that meet the evolving needs of the construction sector. Today, product development is an essential driver in our journey towards low-carbon construction – helping reduce emissions while maintaining performance and quality.

We continuously adapt our product portfolio to meet climate requirements, customer expectations, and regulatory demands.

A significant part of this work involves reducing the clinker content in our cement – one of our strategic initiatives to reduce CO_2 emissions. By 2030, we aim to significantly lower clinker levels across our products, enabling a substantial reduction in scope 1 emissions.

Cement plays a vital role in global infrastructure and housing. As the construction industry decarbonises, our products must contribute by meeting climate targets without compromising structural performance. By 2030, product innovations will contribute with more than 300,000 tonnes of CO_2 savings (Scope 1), equivalent to 15% of our 2021 emissions.

To support transparency and enable data-driven decisions, environmental product declarations (EPDs) are published for all cement types produced at Aalborg Portland. These third-party verified declarations are based on detailed life cycle assessments and provide transparent data on a product's environmental and climate impact across its entire life cycle, including indicators beyond CO_2 emissions. They are publicly available at our website and in the databases used by specifiers, engineers, and contractors.

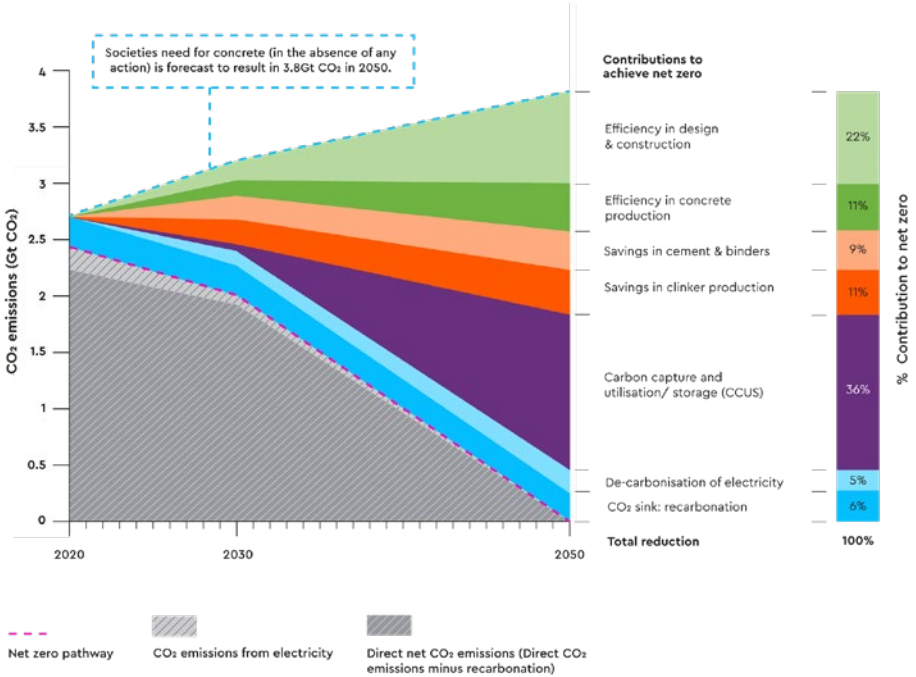
Product properties are continuously tested by accredited laboratories in Denmark and internationally, ensuring compliance with standards like the Construction Products Regulation (CPR) and EN 197-5 for cement. Declarations of performance (DoPs) and safety data sheets (SDS) accompany all products, ensuring full compliance and safe use.

We also work closely with both upstream suppliers and downstream customers. This ensures that innovation at product level is matched by improvements in raw materials, sourcing, and construction practices. For example, low-clinker cement requires adjustments in concrete recipes, which

we develop by collaborating closely with stakeholders across the entire cement and concrete value chain.

This collaboration is essential to delivering low-carbon construction. This is why we engage directly with customers, contractors, and industry associations. Reaching net zero will require joint action in the entire product lifecycle – from raw materials and product design to construction and recycling.

GETTING TO NET ZERO



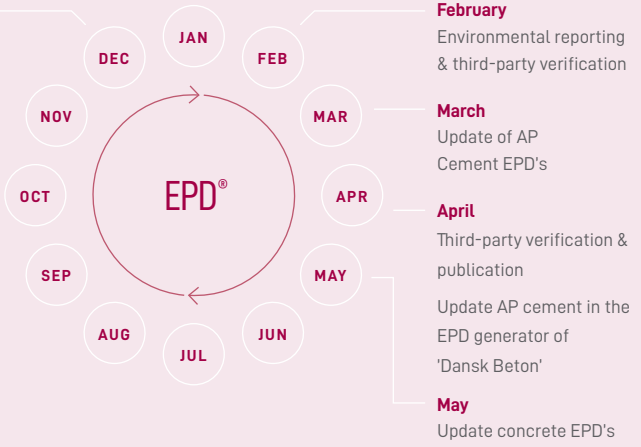
CASE

Sharpened requirements drives new EPD process

To ensure that upcoming CO2 reductions in Aalborg Portland's cement EPDs are reflected in concrete EPDs and Building LCAs without unnecessary delays we have defined a new yearly cycle for EPD-updates.

The new cycle means that Aalborg Portland will notify customers of expected EPD changes shortly before the end of the year. This enables customers to plan ahead, align their own updates, and assess the need for additional decarbonisation measures.

In 2025, this timing becomes especially important. The early notification is designed to support the adoption of updated Aalborg Portland EPDs before BR25 - the new building regulation introducing lower CO_2 limits at the building level - takes effect in July 2025.



December
Info about upcoming EDP updates

February
Environmental reporting & third-party verification

March
Update of AP Cement EPD's

April
Third-party verification & publication

Update AP cement in the EPD generator of 'Dansk Beton'

May
Update concrete EPD's

CASE

Aalborg White D-Carb®:

New milestone achieved – 15% lower CO_2, same early performance

FACTS

- Aalborg White D-Carb® is a CEM II/A-LL 52.5R cement where up to 20% of clinker, according to EN 197-1, is replaced by carefully selected high-whiteness limestone.
- Aalborg White D-Carb® is distributed across Europe via ships directly from the plant in Aalborg to our network of silo terminals - thereby minimising the more CO_2 intensive road transportation and the accumulated environmental burden from distribution.

Get more info at D-Carb® | Aalborg Portland Holding A/S

In 2024, Aalborg Portland reached another key milestone on the journey to decarbonise its product portfolio by introducing its first blended white cement.

After several years of R&D, testing, and industrial-scale trials, Aalborg White D-Carb® has been launched for domestic and selected European markets. The product delivers a 15% lower carbon footprint compared to CEM I 52.5R, while maintaining the same early performance.

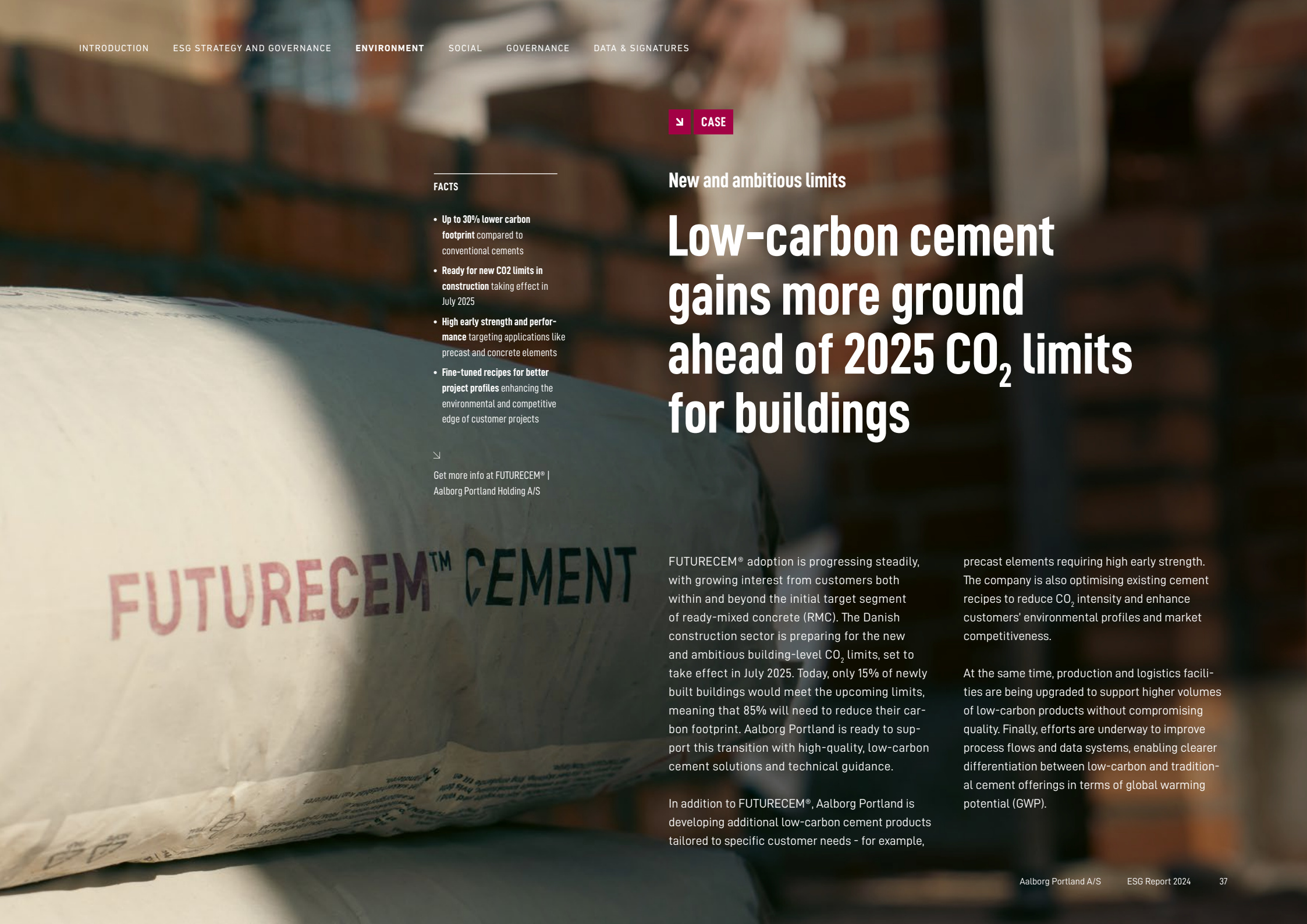
This is achieved by optimising the product's composition and reducing clinker content, supported by Group-wide D-Carb® innovation efforts. The synergy between clinker and limestone, combined with a fit-for-purpose grinding aid, improves rheology and workability, helping to meet quality parameters, as well as high finish and durability standards.

A smooth transition for customers

Aalborg White D-Carb® offers a straightforward and smooth replacement for industrial users, enabling more sustainable choices without compromising performance. Since the launch, Aalborg Portland has engaged closely with customers to support the transition and help meet national certification requirements in local markets.

Aalborg White Cement EPD

CARBON FOOTPRINT



CASE

New and ambitious limits

Low-carbon cement gains more ground ahead of 2025 CO_2 limits for buildings

FACTS

- **Up to 30% lower carbon footprint** compared to conventional cements
- **Ready for new CO2 limits in construction** taking effect in July 2025
- **High early strength and performance** targeting applications like precast and concrete elements
- **Fine-tuned recipes for better project profiles** enhancing the environmental and competitive edge of customer projects

Get more info at FUTURECEM® | Aalborg Portland Holding A/S

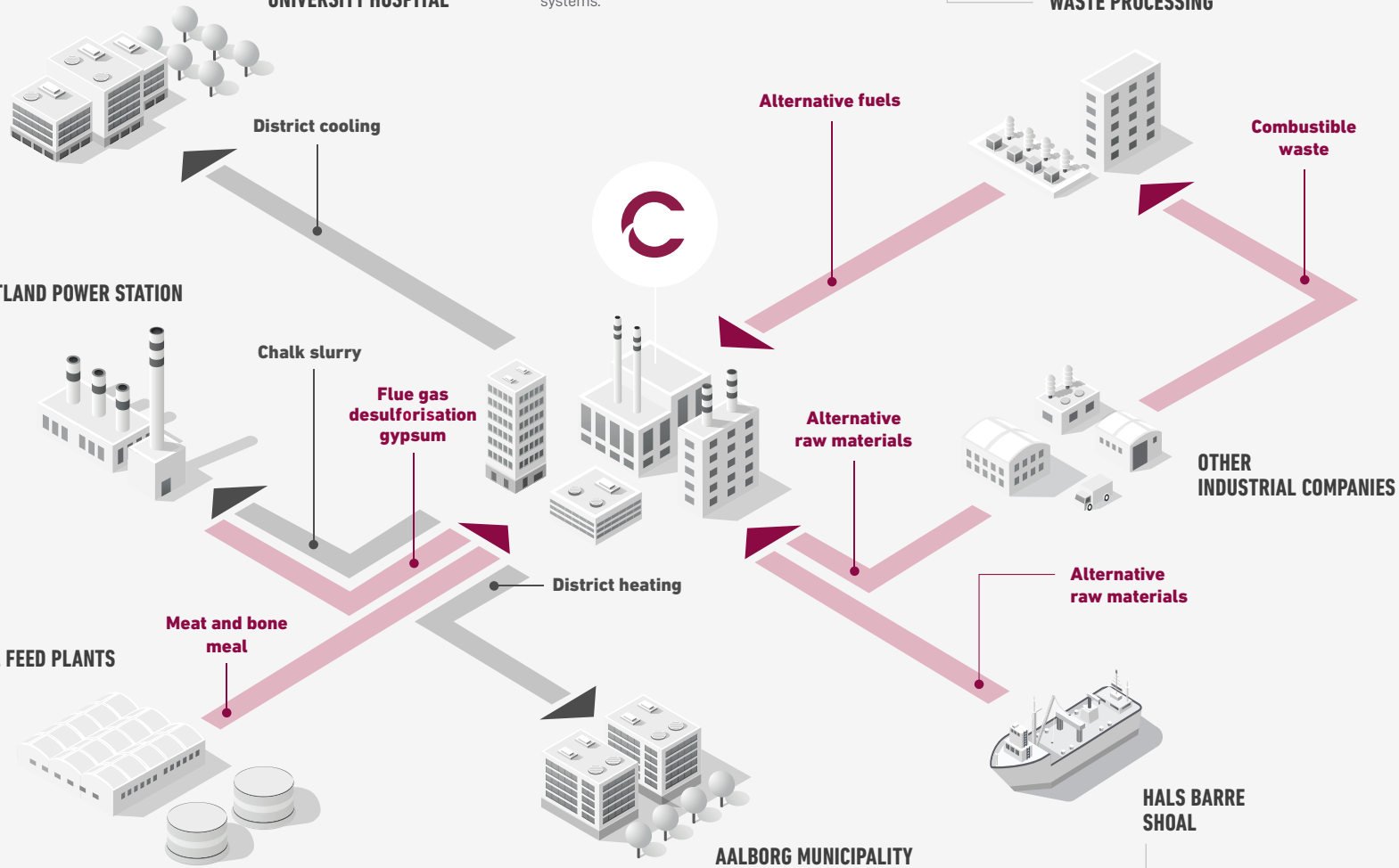
FUTURECEM® adoption is progressing steadily, with growing interest from customers both within and beyond the initial target segment of ready-mixed concrete (RMC). The Danish construction sector is preparing for the new and ambitious building-level CO_2 limits, set to take effect in July 2025. Today, only 15% of newly built buildings would meet the upcoming limits, meaning that 85% will need to reduce their carbon footprint. Aalborg Portland is ready to support this transition with high-quality, low-carbon cement solutions and technical guidance.

In addition to FUTURECEM®, Aalborg Portland is developing additional low-carbon cement products tailored to specific customer needs - for example, precast elements requiring high early strength. The company is also optimising existing cement recipes to reduce CO_2 intensity and enhance customers' environmental profiles and market competitiveness.

At the same time, production and logistics facilities are being upgraded to support higher volumes of low-carbon products without compromising quality. Finally, efforts are underway to improve process flows and data systems, enabling clearer differentiation between low-carbon and traditional cement offerings in terms of global warming potential (GWP).

Resource efficiency and circularity

Aalborg Portland is more than a cement manufacturer. Our plant is part of several valuable industrial symbioses that benefit local communities and contribute significantly to energy savings and resource efficiency.



District cooling from our chalk lake to Aalborg University Hospital enables energy savings of up to 80% compared to conventional cooling systems.

We recycle over 250,000 tonnes of non-recyclable waste and bio-mass annually as alternative fuel, replacing fossil energy sources.

North Jutland Power Station uses our chalk slurry to clean flue gas. This process creates FGD gypsum, which we reuse in our cement grinding operations to replace natural gypsum.

Over 80,000 tonnes of meat and bone meal from animal feed plants are used annually as bio-based fuel in both grey and white cement production.

Surplus heat from our cement kilns supplies district heating to up to 30,000 households in Aalborg annually.

Sand from dredging at Hals Barre, to keep the Limfjord navigable, is recycled in cement production.

District heating to more than 17,000 households

For many years, we have worked in circular collaboration with the municipally owned utility company, Aalborg Forsyning, using surplus heat from our cement production to supply district heating to the city. In 2024, our surplus heat generated district heating to more than 17,000 households in Aalborg Municipality. With existing equipment, the heating supply can cover up to around 30,000 households per year which saves Aalborg Forsyning up to 150,000 tonnes of CO_2 annually at full capacity, representing a large and necessary contribution to Aalborg's climate ambition of becoming a fossil-free city by 2050.

Our current production capacity supports a potential supply increase to around 50,000 households, which can further increase towards 2030 through the exploitation of waste heat from a future large-scale carbon capture facility. In this way, we can make a real impact on UN Sustainable Development Goal 7 "Affordable and Clean Energy", whilst still focusing on our core competence of making cement.


Aalborg Portland

District cooling for Aalborg University Hospital

In 2018, we entered into a visionary collaboration with Aalborg Forsyning and the North Denmark Region to utilise cold water from our chalk lake to provide sustainable district cooling to the new Aalborg University Hospital. The chalk lake maintains a stable temperature of 5 - 14°C year-round which translates into very high district cooling system efficiencies.

We placed the first pipes in 2021, and in 2024 the district cooling project was commisioned. We now supply sustainable cooling to the hospital buildings. The new facility will save the hospital around 80% in electricity consumption compared to traditional cooling systems, corresponding to around 700 tonnes of CO_2 per year. This cooling project also has important perspectives for other buildings in Aalborg Municipality, acting as a showcase.

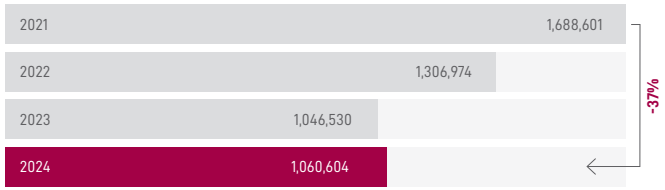
Responsible consumption of raw materials and fuels

For many years, we have used non-recyclable waste and biomass from other industries as alternative raw materials and fuels. An integral part of our strategy is to increase the use of materials that would otherwise go to landfill or incineration. By promoting responsible consumption in our production processes, we can align with UN Sustainable Development Goal 12.

In 2024, we utilised more than 250,000 tonnes of non-recyclable waste and biomass as alternative fuels to substitute fossil fuels like coal and petroleum coke, as well around 370,000 tonnes of alternative raw materials instead of extracting new raw materials for our cement production.

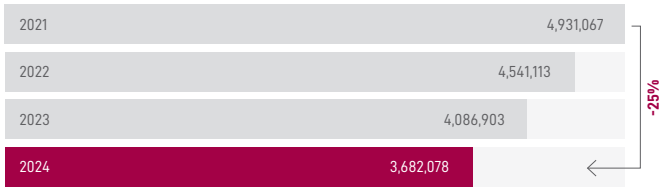
Energy recovered for district heating

GJ



Raw material consumption

TONNES



ALTERNATIVE RAW MATERIALS

FLY ASH
Byproduct from coal-fired power stations.

SAND FROM HALS BARRE
Which is dredged to keep the Limfjord navigable.

IRON OXIDE
Byproduct of the manufacture of sulphuric acid.

OXITON
Byproduct from aluminium oxide filtration.

SEA SHELLS
Byproduct from food processing.

FGD GYPSUM
Byproduct from desulphurisation of flue gasses from the North Jutland power station.

ALTERNATIVE FUELS

REFUSE-DERIVED FUEL
Produced from various types of waste such as municipal solid waste, industrial waste and commercial waste.

RECYCLED RUBBER GRANULATES
Recycled rubber from various sources, including tires.

MEAT AND BONE MEAL
Byproduct from the rendering industry.

NUT SHELLS
Byproduct from food processing

TROLDTEKT PANELS
Pulverised production waste from our customer, Troldtekt.

Lowering our water consumption

Water is used in both our cement manufacturing processes and for cooling at our production plant. We strive to recycle as much process water as possible and to capture and reuse rainwater from selected areas as our contribution to UN Sustainable Development Goal 6.

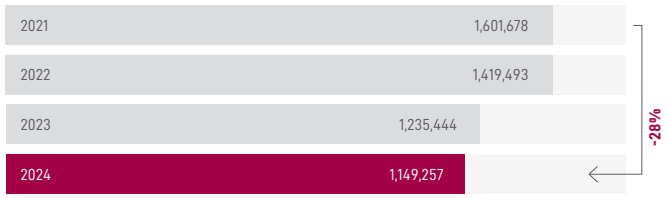
One of our main initiatives involves using water extracted during the lowering of groundwater levels to maintain dry underground basements, passages and on-site conveyor systems as a means for cooling the factory's compressor station. We also recycle condensed water from heat recovery and desulphurisation systems. In total, we have consumed 1,149,257 m^3 of water in 2024, of which around 31% was either recycled, recirculated, or collected rainwater.

Handling and recycling waste

We have a long-standing tradition of handling waste responsibly and in an environmentally sound manner. All waste is either recycled or recirculated within our production processes, incinerated in accordance with municipal regulations or landfilled on site. By promoting recycling wherever possible, we contribute to UN Sustainable Development Goal 12.

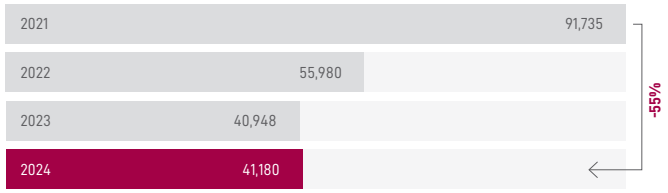
Water consumption

M3



Waste generation

TONNES



We sort all our waste materials close to the source and deposit them in designated containers around the plant. We also sort and store hazardous waste in the form of oil and chemicals in safe approved containers.

In 2024, we produced 41,180 tonnes of waste, of which 19% was recycled.

CASE

2024 Waste Collection Campaign

During our participation in the waste collection campaign organised by the Danish Society for Nature Conservation in 2024, we collected and removed more than 900 kilograms of waste along the coastline at Aalborg Portland. We invited two local community associations to help clean six kilometres of coastline along the Limfjord. Together, we removed various types of waste washed ashore by the current, including plastic bottles and large district heating pipes. As a gesture of appreciation, Aalborg Portland provided sponsorships to these associations.

In addition, our employees participated in the campaign, helping to collect and remove 3,982 kilograms of waste from our 1,200 hectares of land.


Local community helping clean the coastline along the Limfjord

Land use and biodiversity

Aalborg Portland is one of Denmark's largest industrial companies, with 1,200 hectares of land in the Rørdal area, comprising uncultivated land, farmland, and a chalk quarry. The cement plant and the active quarry together cover 190 hectares. The remaining 1,010 hectares comprise lakes, woods, meadows, salt marshes, fallow, and farmland - rich with plants and wildlife.

A fundamental principle of our operations is to respect, protect, and preserve the land on which we operate, including its rich ecosystems and biodiversity. We make sure to rehabilitate the land we use for operations effectively and responsibly, considering socio-economic conditions, environmental factors, legal requirements, and the needs and expectations of stakeholders. The global biodiversity crisis and the climate crisis are closely interlinked, and our ambition is to contribute to the UN Sustainable Development Goal 15 "Life on land" by rehabilitating our areas to allow plants and wildlife to flourish.

Quarrying permit 2013-2052
Aalborg Portland holds a quarrying permit for the extraction of raw materials from the Rørdal Chalk Pit. The permit contains a number of conditions that must be met in the quarrying process and when rehabilitating the area.

The North Denmark Region is the authority issuing the permit and the permit has been issued for a period of 40 years, which stands out from other permits, which normally run for 10 years. This is due to the large investments involved in extraction and production at Aalborg Portland.

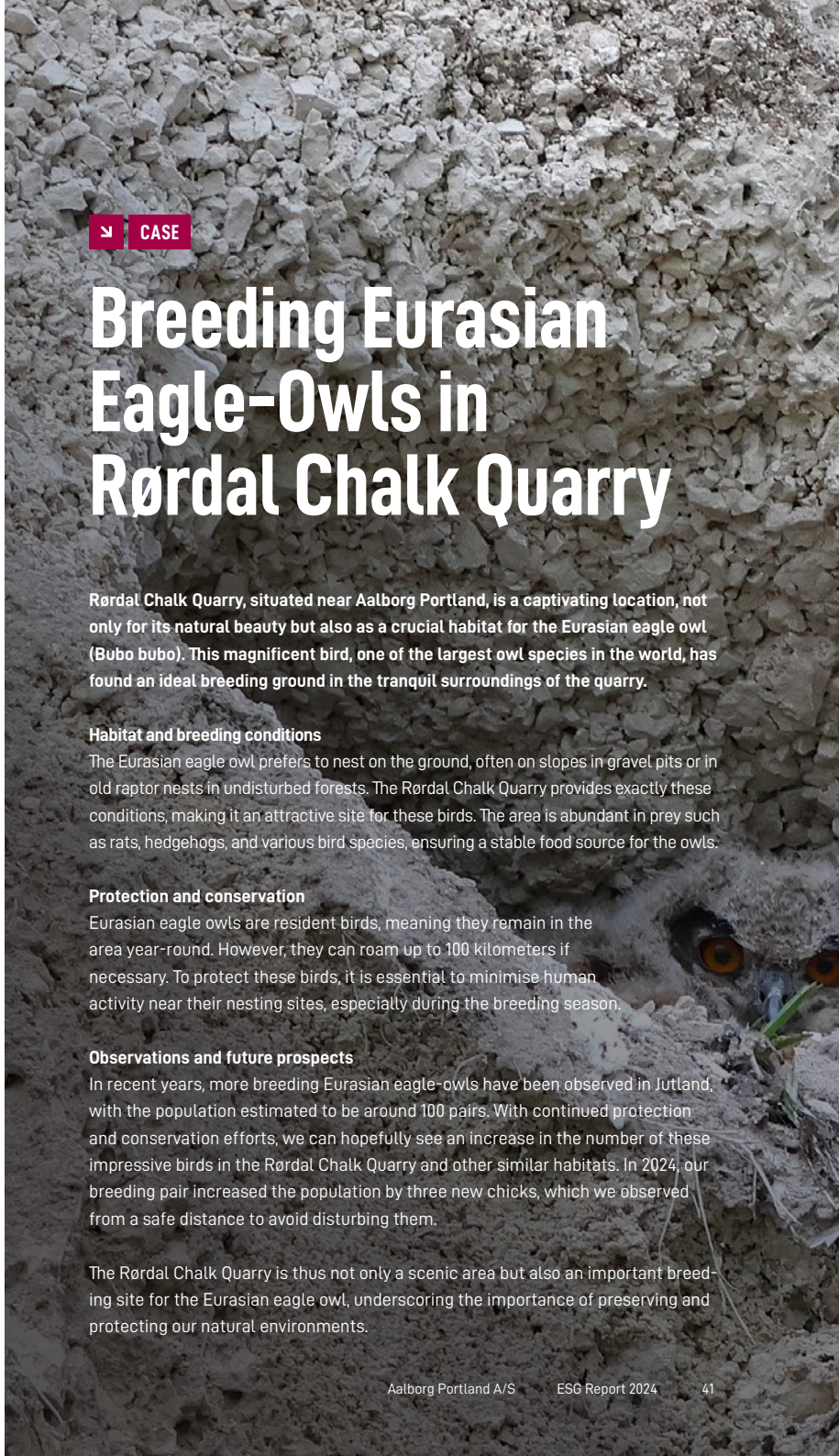
Our quarry rehabilitation plan
Quarrying involves the use of excavators both above and below the water table, which has an inevitable impact on the surrounding natural and social environments. However, these impacts can be addressed and mitigated successfully with a proper quarry rehabilitation plan (QRP).

Our QRP runs in parallel with quarrying operations, enabling continuous rehabilitation of the area while extraction takes place. The QRP aims to create a recreational area for leisure and sporting activities close to the city.

The rehabilitation intends to create a scenic space with steep, exposed slopes and soft green hilly areas. The creation of banks and terraces in specific chalk pit areas has already begun, whilst quarry operations are ongoing at a safe distance on the other side of the quarry.

Our new masterplan for the Rørdal Chalk Pit
During 2024, the regional authorities werein the process of approving a new mineral excavation plan for the region. Aalborg Portland applied for an extension of the exisiting quarry and developed an updated masterplan for the Rørdal Chalk Pit.

The masterplan describes and illustrates to extend the current quarrying permit and how to improve the existing QRP with new initiatives. In this process, the local community has been invited to share their visions and ideas for the future recreational area through two workshops taking place in 2024 and 2025.



CASE

Breeding Eurasian Eagle-Owls in Rørdal Chalk Quarry

Rørdal Chalk Quarry, situated near Aalborg Portland, is a captivating location, not only for its natural beauty but also as a crucial habitat for the Eurasian eagle owl (Bubo bubo). This magnificent bird, one of the largest owl species in the world, has found an ideal breeding ground in the tranquil surroundings of the quarry.

Habitat and breeding conditions
The Eurasian eagle owl prefers to nest on the ground, often on slopes in gravel pits or in old raptor nests in undisturbed forests. The Rørdal Chalk Quarry provides exactly these conditions, making it an attractive site for these birds. The area is abundant in prey such as rats, hedgehogs, and various bird species, ensuring a stable food source for the owls.

Protection and conservation
Eurasian eagle owls are resident birds, meaning they remain in the area year-round. However, they can roam up to 100 kilometers if necessary. To protect these birds, it is essential to minimise human activity near their nesting sites, especially during the breeding season.

Observations and future prospects
In recent years, more breeding Eurasian eagle-owls have been observed in Jutland, with the population estimated to be around 100 pairs. With continued protection and conservation efforts, we can hopefully see an increase in the number of these impressive birds in the Rørdal Chalk Quarry and other similar habitats. In 2024, our breeding pair increased the population by three new chicks, which we observed from a safe distance to avoid disturbing them.

The Rørdal Chalk Quarry is thus not only a scenic area but also an important breeding site for the Eurasian eagle owl, underscoring the importance of preserving and protecting our natural environments.

CASE

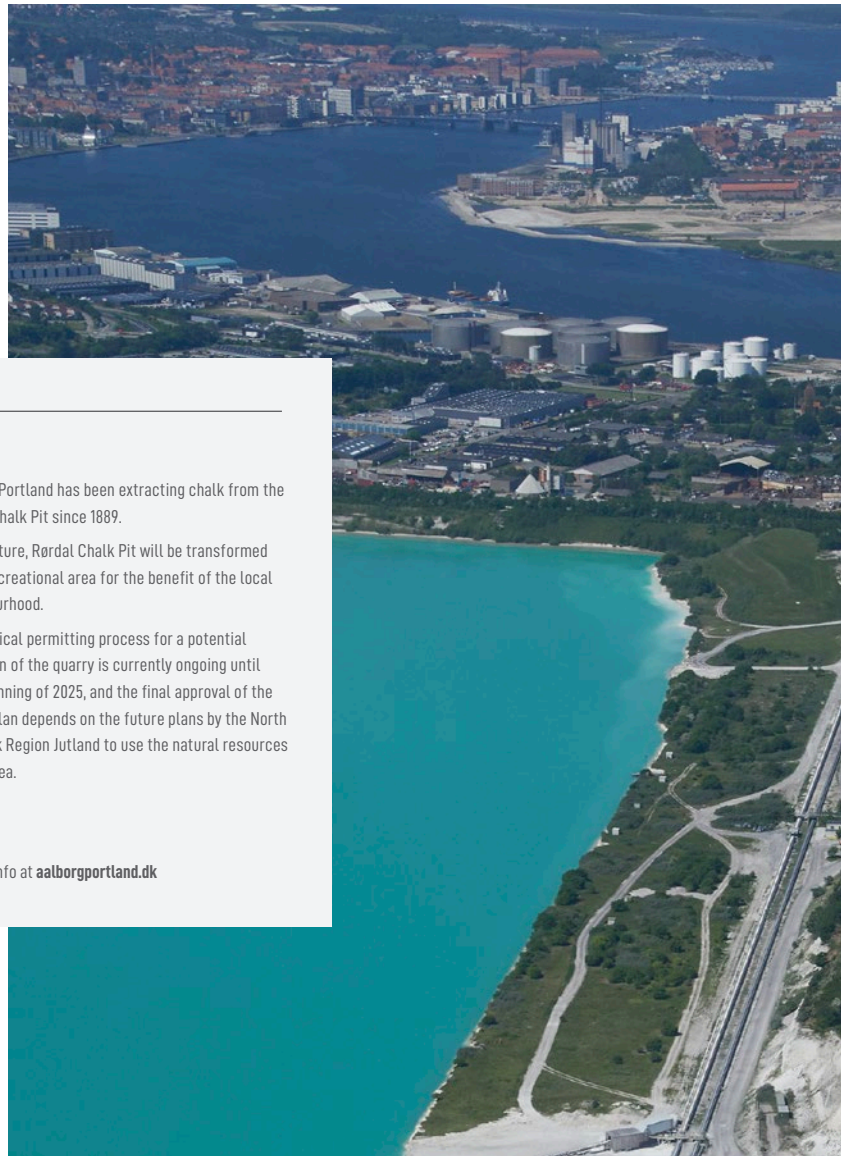
Detailing the holistic plan for the Rørdal Chalk Pit

Since 1889, the Rørdal Chalk Pit has served as a vital source of chalk for Aalborg Portland's cement production. Alongside ongoing extraction, ambitious plans are now underway to transform the area for future use. As part of a long-term, parallel effort, Aalborg Portland is actively restoring and reimagining the chalk pit.

Our ambition is to evolve the Rørdal Chalk Pit into the picturesque Portland Lake Park – a transformation that reflects both environmental responsibility and community value.

The envisioned recreational haven is designed to play a key role in the local community, offering opportunities for activities such as hiking, mountain biking, and water sports.

At the same time, our restoration efforts aim to ensure that the Rørdal Chalk Pit supports a rich biodiversity, allowing the area's flora and fauna to thrive — both now and for generations to come.



FACTS

- Aalborg Portland has been extracting chalk from the Rørdal Chalk Pit since 1889.
- In the future, Rørdal Chalk Pit will be transformed into a recreational area for the benefit of the local neighbourhood.
- The political permitting process for a potential extension of the quarry is currently ongoing until the beginning of 2025, and the final approval of the masterplan depends on the future plans by the North Denmark Region Jutland to use the natural resources in the area.

Get more info at **aalborgportland.dk**

STAKEHOLDER INVOLVEMENT

In 2024, Aalborg Portland took the initiative to involve citizens and stakeholders in shaping the design of the area around the Rørdal Chalk Pit. The first of two collaborative workshops was held to gather concrete input on how the area could be developed and connected to offer the greatest possible benefit to the public.

The Rørdal Chalk Pit – Phase 1

Opening the area will take place gradually and in parallel with excavation activities. Phase 1, "From Bugten to Parken" (planned for 2026–2029), will open access to Bugten and the waterfront. A noise barrier will be constructed to shield nearby activities from the chalk quarry.

The areas Vigen and Pynten will be developed as green spaces stretching from the city to the noise barrier, and an alternative route to the nearby recreational area Hesteskoen will be created.

Local visions for the Rørdal Chalk Pit

The first workshop generated a wide range of ideas. Hilly landscapes were recommended to improve views and integrate with the surrounding nature.

Planting of scattered trees and small forest areas could help reduce light pollution from industrial sites and enhance views across and beyond the noise barrier. Pathways are expected to link green spaces and lead to allotment gardens and parking areas located outside the nearby city to reduce traffic through Øster Uttrup.

Suggestions for recreational use included sledging hills, shelters, campsites, playgrounds, networks of trails, fruit parks, and climbing or bouldering zones. Biodiversity initiatives should feature forest belts, artificial ponds, wildlife habitats, birdwatching platforms, and lighting designed for stargazing. The Removal of the southern noise barrier was also discussed in connection with long-term development.

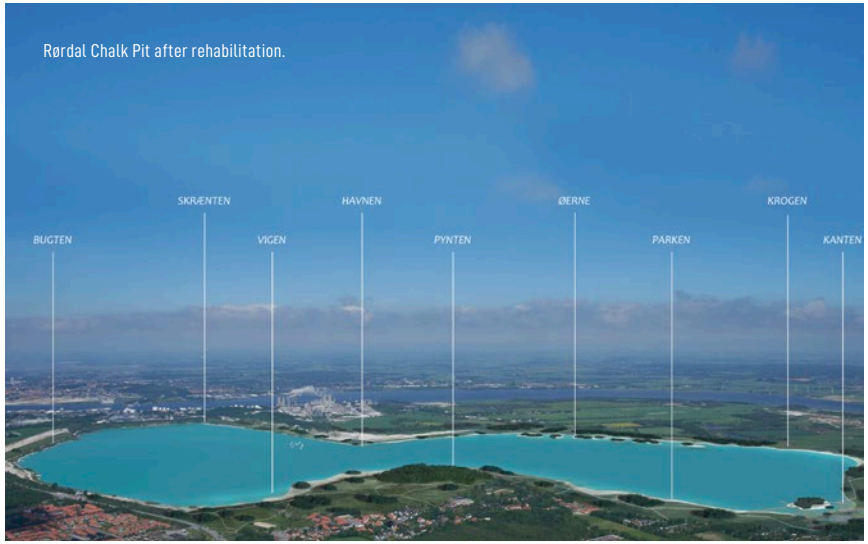
Water-based ideas included swimming zones, canoeing, kayaking, paddleboarding, floating saunas, tower diving, and a winter swimming club.

To ensure accessibility, participants proposed pathways adapted for walkers, runners, and cyclists, including handicap-accessible routes, themed trails, bridle paths, and lighting variations. Interaction with the local riding school and the development of learning spaces focused on biodiversity and outdoor education were also key themes. These could serve nearby schools.

Early dialogue with local authorities has been initiated to ensure public planning and infrastructure are aligned with accessibility and recreational goals.

The second workshop will be held in 2025 with the objective to refine and prioritise the input gathered during the first workshop. This ongoing dialogue will ensure that the area develops in line with community visions and creates maximum value for those who will use it.

Workshop 01



Rørdal Chalk Pit after rehabilitation.


1
2
3
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5
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8
9
10

1. SKRÆNTEN

Along Skrænten, the area's steep geological formations rise dramatically above the water, offering a unique setting for fossil hunting, nature observation or quiet relaxation. Seating terraces will be created on the ground near the waterfront, where visitors can enjoy a picnic, sunbathe, or simply take in the view. A viewpoint will be built at the western end.

2. HAVNEN

The former production hub will become a centre for water-based activities. A small marina is planned, with facilities for kayaking, canoeing, rowing, and sailing. The design will create space for both active use and social gathering near the water.

3. PROMENADEN

Promenaden will follow a carefully defined edge along the water, offering a generous and scenic path for walking. Seating spots will be placed where grassy areas meet groups of trees, creating a welcoming and relaxing space.

4. ØERNE

Øerne will feature several medium and large islands extending into the lake. Most of the area will consist of a shallow water area suitable for activities such as swimming, wading, and exploring between the islands. The design will also benefit wildlife by improving water flow and biodiversity.

5. KROGEN

Krogen will have the area's best beach, with optimal solar orientation. Between Krogen and Øerne, a multi-sensory forest escape with artistic installations will provide an immersive nature experience.

6. KANTEN

Nature is the focus in Kanten. At the southern end, a long boardwalk will lead through wetlands, ponds and amphibian habitats, offering calm surroundings for observation and learning. A central island with a vantage point, fishing area, and firepit, will invite both recreation and reflection.

7. PARKEN

Parken will serve as a central park area with a green lawn all the way to the lakefront. Boardwalks and small paths will guide visitors through planted groves, flowering trees and peaceful retreats, including beach volleyball, sports, and picnics.

8. PYNTEN

Pynten will be the highest point in the landscape, providing sweeping views across the entire Chalk Lake. A small open area will be created near the summit. Below the tree canopy, nature paths, walking routes and viewing points, will be established. A raised platform between the trees will offer scenic views and a place to pause.

9. VIGEN

West of Øster Uttrup, a shallow beach and bathing zone will be created below the slope, benefiting from natural lake conditions. Visitors will be able to wade into the water, swim, or explore for fossils. Options such as covered seating, barbecue spots, and training areas are also being considered.

10. BUGTEN

West of Øster Uttrup, a shallow beach and bathing zone will be created below the slope, benefiting from natural lake conditions. Visitors will be able to wade into the water, swim, or explore for fossils. Options such as covered seating, barbecue spots, and training areas are also being considered.

Social

Aalborg Portland has contributed to economic growth and job creation since 1889. Today, we directly employ more than 350 people, and a substantial number of external contractors and subcontractors also support operations at our cement plant.

Our success depends on the people who work with and around us. That's why we take responsibility for building a well-educated workforce and for creating an open, inclusive working environment that protects everyone from occupational safety risks.

IN THIS CHAPTER

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48 Diversity and inclusion
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Health and safety

Our highest priority is to ensure that everyone is safe throughout the working day. All tasks must be planned to be carried out without risk in full compliance with external regulations and internal safety procedures.

Occupational health & safety policy
Our occupational health & safety policy ensures that adequate systems and procedures are in place to create a safe working environment where risks are mitigated, and accidents are prevented. The policy is updated at least every two years.

The Work Environment Committee, chaired by the HSE Manager on behalf of the Managing Director, meets quarterly to oversee implementation, monitor progress, and assess results. We continuously focus on improving the work environment and safety performance by ensuring that employees and collaborators have the necessary knowledge, skills, and competences to perform their roles safely.

10 basic safety rules
We have 10 basic rules that apply to all work performed at the cement plant and 10 additional safety requirements for external suppliers and partners. These help ensure alignment with our tendering processes and performance expectations.

Safety walk and talks
We are committed to maintaining a strong health and safety culture, which requires continuous attention and open dialogue. In 2024, we conducted more than 800 "safety walk and talks" - short, structured walks around the plant or connection points, with a focus on open conversations about safety initiatives, risks, and behaviours.

My Risk Assessment
Before starting any task classified as high risk or where an accident could be fatal, employees must complete a "My Risk Assessment" form. This helps raise awareness of potential hazards and encourages proactive risk mitigation. In 2024 alone, several thousand forms were completed.

We analyse each incident thoroughly to identify root causes and prevent recurrence. This work includes sharing learnings and solutions across the organisation to continuously reduce risks.

Our safety performance
In 2024, the lost-time injury rate (LTIR) for our own employees decreased from 5.4 to 0.0. However, the LTIR for contractors increased from 11.4 to 13.4. Overall, total working hours saw a net safety performance improvement.

In the coming years, we will continue to launch new initiatives and strengthen safety performance across all operations.

Health and safety PER MILLION WORKING HOURS	2024	2023	2022	2021
LTIR, own employees	**0.0**	5.4	3.6	26.0
LTIR, contractors	**13.4**	11.4	18.0	37.2
High-consequence LTIR, own employees	**0.0**	0.0	0.0	0.0
High-consequence LTIR, contractors	**0.0**	0.0	0.0	0.0
Fatality rate, own employees	**0.0**	0.0	0.0	0.0
Fatality rate, contractors	**0.0**	0.0	0.0	5.3

Diversity and inclusion

At Aalborg Portland we see it as both our obligation and utmost responsibility to promote diversity and inclusion, regardless of gender, ethnicity, age, religion, sexuality or other differences.

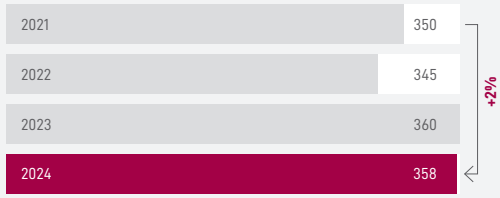
We promote a culture of respect for diversity, work equality, non-discrimination, and the inclusion of all labour groups, and we strive to improve our business by reviewing and adapting current practices. We provide training in cultural competency as well as diversity and inclusion, helping us better understand each other and our different ways of thinking and working. We acknowledge different perspectives and work to broaden our understanding of how to integrate diverse ways of working, so everyone feels supported and welcome in the workplace. At Aalborg Portland, we have 13 nationalities represented and an age range from 18 to 74. We see this diversity as one of our biggest strengths and key to our future growth and success.

As the only cement manufacturer in Denmark, we face a particular challenge in recruiting experienced senior managers while maintaining balanced hiring practices. Increasing the number of female representatives at all levels remains a priority. We continue to strengthen our recruitment strategies to attract more women to a broad range of roles, and we are reviewing our recruitment process to ensure a more inclusive approach. Our aim is to find the most qualified people for all positions without discrimination. We are also reviewing our internal policies and practices to help open the talent pool and reduce bias in our processes.

"At Aalborg Portland, we have 13 different nationalities employed and an age range from 18 to 74. We believe these factors are some of our biggest strengths and key to our future growth and success."

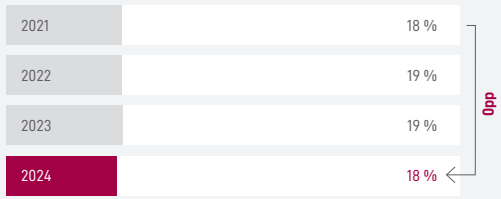
Employee headcount

NUMBER



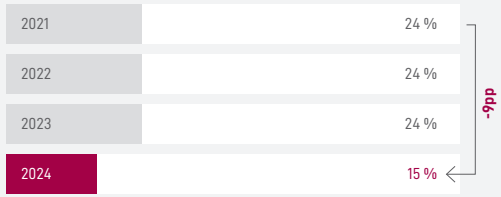
Gender diversity

% FEMALE EMPLOYEES



Gender diversity in management

% FEMALE SENIOR MANAGERS



Collaboration across generations

We are a company with historically high seniority and low employee turnover, and we are proud that many of our employees come from the second and third generation of Aalborg Portland workers.

Collaboration across generations is a strong asset to our business. Some employees have been with us for more than 40 and even 50 years, and we are now seeing a high number approaching retirement. To ensure long-term sustainability, we have developed a strategy to manage generational transitions, as more than 10% of our workforce is expected to retire within the next five years.

We work actively to ensure that valuable knowledge is passed on in the most effective way. This helps our senior employees feel confident handing over the baton while preparing for their well-earned retirement - after contributing to the company for many years as important culture bearers and subject-matter experts.

Age distribution

%

SOCIAL ENGAGEMENTS

We acknowledge that wellbeing is not only about how we support each other in our daily tasks - it also involves connecting as people beyond work.

We aim to create an environment that offers both professional challenges and a range of social activities, including sporting events, corporate functions, and family gatherings. Some of these take place at our dedicated Welfare Building, which includes facilities for badminton, fitness, and sauna. Both current and former employees - together with their families - make use of these spaces in their spare time. We also host other social clubs such as golf and fishing.

At Aalborg Portland, fostering strong relationships across our departments is a top priority. We value social events such as the DHL Relay, the Christmas party, Friday bar gatherings, and more. These occasions are not just about having fun - they offer valuable opportunities for employees to connect, unwind, and build relationships across the company.

In our day-to-day roles, we may sometimes forget how interconnected we truly are. No matter our role, we all contribute to ensuring the best possible quality and service - both for our customers and for one another's wellbeing. Social events offer a chance to meet colleagues we don't normally work with and strengthen personal connections across the organisation.

CASE

Culture in Action

In August 2024, 170 of our colleagues gathered for the annual DHL Relay to represent Aalborg Portland with plenty of energy and enthusiasm.

We had participants from all corners of the company – from production to finance, sales, HR, and many other departments. It was a delightful day and evening with good weather, great spirits, and strong camaraderie.

Colleagues walked and ran side by side, cheered on from the sidelines - especially when the running Portlanders needed that final "boost" before crossing the finish line.

Peter Birkegaard, our Managing Director, also participated in the relay and said:

"Participating in events like this gives us a fantastic opportunity to connect across departments and experience the strong sense of community that defines Aalborg Portland. It's here that we truly see our unique culture in action, and it's a pleasure to be a part of it."

Ambassador Party

The annual Ambassador Party celebrates all those who have played an integral role in shaping Aalborg Portland through their engagement and loyalty. Their commitment and values have helped define the company's history and remain instrumental in who we are today. The pride we feel in the culture and connections nurtured at Aalborg Portland is immeasurable

Bringing together so many of our former employees - for whom the company still holds deep meaning - is incredibly fulfilling. The Ambassador Party highlights the unique culture that has been nurtured across generations in our shared workplace and which we are committed to preserving in the years ahead. As we chart a path forward, our ability to adapt is essential, but our history and legacy remain the foundation of our success. This event allows us to honour the past while putting our shared knowledge and experience into action for the future.

Special funds

Each year, the Engineer Poul Larsen Memorial Fund provides support for blue-collar employees at Aalborg Portland. The fund offers assistance to employees who have been dismissed due to illness after the age of 65, or who retire with state pension eligibility after turning 60, and who can demonstrate they have not been available to the job market since retirement. A minimum of 15 years of satisfactory employment is required.

The Aalborg Portland Support and Welfare Fund provides assistance to former employees of Aalborg Portland A/S - including spouses or partners (divorced included) and children under 24 of a deceased or former employee. Support is granted on an annual basis, one year at a time.

Following the dissolution of Aalborg Portland's Interessekontor (Employee Interest Office), the Vacation Pool continues to offer travel subsidies to employees at Aalborg Portland A/S and Aalborg Portland Holding A/S.

Every permanent employee is automatically enrolled in the association, and each year 25 employees are randomly selected to receive a monetary vacation contribution.

People development and engagement

People development and engagement are key to Aalborg Portland's overall strategy. With over 135 years of existence, we have created a strong heritage and people culture. We acknowledge the importance of aligning our business practices with the needs of an evolving labour market and recognise that motivated and engaged employees are essential to the success of our business. Therefore, we have continued the progress of several initiatives to develop our employees and the organisation.

We have recently launched a new intranet platform, Connect, designed to strengthen connection across business units and departments. It provides employees with essential employment information and serves as a channel for updates on projects, initiatives, employee stories, and events. We continuously adapt and evolve the platform based on employee feedback.

Next generation development

We have a global process for talent review and succession planning that helps us identify employees' readiness to take on more complex roles or leadership positions. Through employee and manager evaluations, we assess their potential to take on greater responsibility while ensuring we fill new or vacant roles effectively.

To support talent development, we have created a global programme for future leaders and key specialists called the Next Generation Programme. It runs throughout the year and consists of learning modules focused on business, innovation, and people management. Each module is designed to strengthen individual competencies and support participants in their future careers. In addition, we hold monthly networking groups to foster inclusion and strengthen peer networks within the programme.

Stronger managers with Concrete Leadership

As an organistaion built on strong leadership and people development, we continue our regional leadership programme - Concrete Leadership. It is designed to equip leaders with tools for self-development and people management. While the programme promotes a shared approach, it also strengthens diversity in practice while aligning with core competencies.

Employee engagement surveys

To better understand employee perspectives and engagement trends, we conduct a biannual Global Engagement Survey and more frequent local Pulse Surveys.

However, data only tells us so much and it is through conversations and active involvement from our employees that we can design the best way forward.

Employee development and training

As part of our performance management process for white-collar employees, company targets are translated annually to the individual level. Having individual objectives aligned with the overall strategy ensures that efforts remain focused on the right priorities.

The employee development process (MUS) for blue-collar employees follows the same purpose and principles. It includes individual plans, feedback, and dialogues focused on both personal and professional development - combining on-the-job experience with training, social interaction, and internal networks.

We use face-to-face sessions and e-learning platforms to support employee training. Employees also have access to LinkedIn Learning, where they can build skills and find inspiration for growth within their role.

Opportunities and apprenticeships

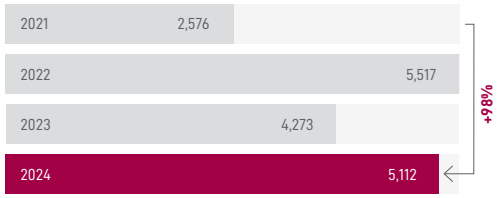
To remain attractive to young talent, we participate in career fairs to promote our sustainability agenda and highlight why Aalborg Portland is a compelling employer for future generations.

Aalborg Portland has a long tradition of offering apprenticeships across a wide range of occupations. Apprenticeship programmes are an integral part of our succession planning for key roles, including electricians, technicians, blacksmiths, and administrative personnel. They also play a vital role in ensuring that knowledge is passed on from experienced employees approaching retirement.

In addition, apprenticeships form part of our social responsibility, as we help ensure quality education for occupational groups requiring certified training. We take pride in contributing to the development of skilled workers in Denmark by training significantly more apprentices than required by national regulations.

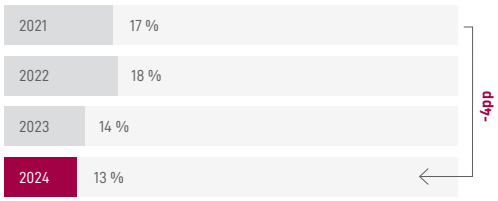
Training hours

HOURS



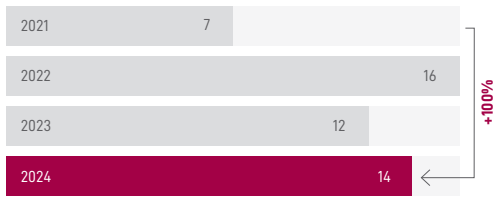
Employee turnover rate

%



Training hours intensity

HOURS PER HEADCOUNT



FACTS

- FLC builds the 18-km Fehmarnbelt tunnel – Denmark's largest infrastructure project
- Apprentices from FLC visited Aalborg Portland in 2024
- Focus on peer learning and industry collaboration

Get more info at
aalborgportland.com

Founding Relations

Visit from Femern Link Contractors (FLC)

Exchange of experience strengthens professional bonds between apprentices.

When a delegation of apprentices from FLC visited Aalborg Portland, it demonstrated how industries can collaborate to strengthen professional development and offer new perspectives to the next generation of skilled workers.

The initiative supported both educational growth and cross-industry connections, helping build a strong professional network that may benefit apprentices well into their careers.

During the visit, apprentices were paired with counterparts at Aalborg Portland in similar trades. This setup provided a valuable framework for knowledge exchange and insights into each other's daily responsibilities.

Differences between working at a cement factory and on a major construction project sparked lively discussions, offering apprentices new perspectives on roles and routines. Despite the contrast in environments, they found common ground in many shared experiences and learning opportunities.

Governance

We recognise that our licence to operate includes sustainability principles and responsible business conduct across the entire value chain. To support this, we have implemented a governance structure that guides the development and execution of our corporate social and sustainability efforts.

Our governance framework includes regular reviews and continuous improvements to ensure we meet our sustainability objectives. This oversight of corporate responsibility helps align our strategic goals with international sustainability standards and ensures that every decision supports our mission of responsible growth.

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Business ethics

The Group Code of Ethics is our primary guide for business operations. It ensures that all activities are conducted with integrity, accuracy, compliance, and a focus on social responsibility and environmental protection. This Code applies to everyone representing Aalborg Portland, including all employees and partners.

Whistleblower system
We acknowledge that a genuine commitment to preventing illegal or inappropriate conduct requires a mechanism that allows employees and third parties (customers, suppliers, subcontractors, or other stakeholders) to report concerns freely and without fear of retaliation.

Employees or third parties can report illegal or undesirable behaviour by completing a digital form on the Group's website www.cementirholding.com, sending a letter or email to the Group address, or using other internal channels.

The Group's Chief Internal Audit Officer handles the receipt, assessment, and initial review of reports. The Group's Ethics Committee will then assess the results and determine potential actions for any violations, subsequently informing relevant employees.

Respect for human rights
Respecting human rights is central to our business values, aligning with the UN Universal Declaration of Human Rights and the European Convention on Human Rights, and the Convention of the International Labour Organisation (ILO). Our Human Rights Policy, based on these principles, guides management and employees.

We share this policy internally via communication channels and training, and externally during contract negotiations. Employees and suppliers must acknowledge and comply with the policy, which is audited by our Group Internal Audit team.

Our contracts include a confirmation of having read the policy and a commitment to its principles. Alleged human rights violations can be reported through our whistleblower system.

Zero tolerance for bribery and corruption
Aalborg Portland's Anti-Bribery Policy enforces integrity and compliance, defining responsibilities, procedures, and behaviour for all employees and third parties. Adequate documentation and controls support its effectiveness. Regular risk assessments help identify vulnerabilities, leading to enforcement plans developed with local management.

An anti-bribery training program is in place for high-risk areas, conducted via e-learning or in-depth sessions. Employees and third parties must report any suspicions or knowledge of bribery to a supervisor or through our whistleblower system.

Corporate responsibility

Our cement production represents significant economic value for Denmark. In 2024, we generated EUR 182.8 million in total value added. Of this, EUR 67.5 million was contributed to society through VAT, corporate tax, employee income tax, and other levies. An additional EUR 21.9 million went to employees in wages and pension contributions (after tax). Beyond this, we contribute socially through our contractors and subcontractors working in transport, maintenance, facility management, and related services in and around the cement plant.

Sponsorships and local contributions

Having operated from the same site since 1889, we consider ourselves an integral part of the Aalborg community. We maintain close relationships with neighbours, local authorities, research institutions, and educational partners to help shape tomorrow's sustainable cities.

Each year, we welcome around 2,000 visitors for guided tours and informational events - including politicians, researchers, business partners, and school groups. We also actively support cultural and sports activities in Aalborg and across Northern Jutland. This includes sponsorships for Aalborg Zoo, the local conference centre, theatre, and various sports teams such as handball, ice hockey, football, and grassroots clubs.

Distribution of value added		2024	2023	2022
Payments to society	MILLION EUR	**67.5**	66.0	39.6
Payments to employees	MILLION EUR	**21.9**	21.6	21.3
Transferred to equity	MILLION EUR	**2.2**	5.9	26.6
Dividend to shareholders	MILLION EUR	**75.0**	80.0	40.0
Interest on external financing	MILLION EUR	**14.2**	9.3	7.5
Total	MILLION EUR	**180.8**	182.8	135.0


Kunsten Museum of Modern Art


Aalborg Zoo

Aalborg Theatre

Aalborg Pirates Icehockey

CASE

Workplace unity, local pride:

Aalborg is in our name

We are dedicated to supporting our local community, institutions, and sports clubs. We believe in fostering lasting relationships and creating a positive social impact in the regions where we operate.

At the same time, our long-term support helps strengthen the sense of community among our employees and reinforces their connection to the city of Aalborg. Throughout the year, employees are invited to attend cultural events free of charge alongside their colleagues. We also host larger events annually in collaboration with partners. In February 2024, all employees were invited to a Champions League handball match, including dinner with colleagues. A few months later, a similar event was held to celebrate the local football team, AaB, returning to Denmark's top league with a home victory at Aalborg Portland Park - a stadium we have sponsored since 2017.

The stadium sponsorship runs until 2026 and reflects our commitment to the community and to supporting North Jutland's leading sports institution - through thick and thin.

Stakeholder engagement

Besides our monetary contributions to society through taxes, sponsorships, and other local donations, we actively engage in local, national, and international projects, partnerships, and associations to promote sustainable business practices and to tackle climate change challenges in line with UN Sustainable Development Goals 9 and 17.

ASSOCIATIONS AND PARTNERSHIPS

The Danish Government's Climate Partnerships
Aalborg Portland has been part of the Danish Government's Climate Partnerships since its formation in November 2019 and sits as chair for the energy-intensive industry. Through the Climate Partnerships, we aim to strengthen the cooperation between Danish industry and the Government, working together to solve the many challenges of climate change.

CEMBUREAU
As one of the founding members, Aalborg Portland has been part of CEMBUREAU, the European Cement Association, since the 1940s and sits today on its Board. Since the beginning, we have used CEMBUREAU to communicate the industry's views on policy developments, and we are directly represented in two of CEMBUREAU's Working Groups. Within these Working Groups, we propose sustainable standards for the construction industry and other potential updates of policy frameworks.

Confederation of Danish Industry
As a member of the Confederation of Danish Industry, we interact with decision-makers across industries, trade unions, non-governmental organisations, politics, and other public stakeholders to promote how our industry can play an active role in a more sustainable and circular economy. We act as a member of the Central Board and various other committees, including the Committee for Research and Innovation.

Global Cement and Concrete Association
We are a Global Cement and Concrete Association (GCCA) member. Through the GCCA, we partner with relevant stakeholders to support new ways of thinking within our industry. For example, the Steering Committee of the Innovandi network represents us. This committee runs key innovation programmes to help the industry decarbonise and produce carbon neutral concrete by 2050.

European Cement Research Academy
We are a member of the Technical Advisory Board of the European Cement Research Academy (ECRA). ECRA supports and conducts research activities on the production of cement and its applicat¬on in concrete. The main project managed by the ECRA relates to Carbon Capture and Storage (CCS).

Geological Survey of Denmark and Greenland (GEUS)
We were in 2024 represented as Vice Chairman for the Geological Survey of Denmark and Greenland (GEUS), which carries out activities to exploit and protect geological resources in Denmark and Greenland. Of relevance for us is the resource assessment of raw materials and aggregates, as well as investigations into storage locations of CO_2.

INNO-CCUS
The INNO-CCUS Partnership is established with support from Innovation Fund Denmark to secure a significant contribution to the Danish Government's climate goals on CO_2 reduction through CCUS solutions. Since 2024 we hold the chairmanship of the board and have in recent years contributed by setting up a pilot facility for carbon capture at our cement factory together with the Technological University of Denmark. The pilot facility was made operational in December 2022 and has played a key role in testing and demonstrating solvents and process technologies in carbon capture in the cement industry.

ConsenCUS
As a member of the ConsenCUS project, Aalborg Portland plays a pivotal role by operating a carbon capture pilot facility. Aalborg Portland's responsibilities include preparing, supporting, and testing this facility over five months, providing crucial data for this innovative technology. This project is a significant step towards achieving climate-neutral operations in industries inherently emitting CO_2, like cement production.

COMMITMENTS

UN Global Compact
Cementir is committed to the UN Global Compact with the aim of developing a more responsible business, respectful of human and labour rights, promoting environmental protection and anti-corruption initiatives.

Safe Water, Sanitation and Hygiene at the Workplace (WASH)
Cementir is committed to ensuring all workers have access to safe and affordable drinking water. Cementir is a signatory of the WASH Pledge developed by World Business Council for Sustainable Development (WBCSD).

SUSTAINABILITY RATINGS AND CERTIFICATIONS

Cementir Group and Aalborg Portland have received several ratings and certifications for our joint ESG commitments and sustainability efforts.

Bureau Veritas Certification
Bureau Veritas has certified Aalborg Portland's management system for quality, environment, energy, and health & safety. Bureau Veritas first certified our management system in 1989, with frequent updates since then.

Science-Based Target initiative
In February 2024, the Science Based Target initiative (SBTi) validated Cementir's near- and long-term decarbonisation targets aligned with the 1.5°C framework scenario. In addition, SBTi also approved Cementir's overall net-zero emissions target by 2050.

ISS ESG
In 2023, ISS ESG assessed Cementir as "C+ Prime". Companies are categorized as Prime if they achieve/exceed the sustainability performance requirements defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating.

Moody's ESG Solutions
In 2023, Cementir obtained a score of 55/100 from Moody's ESG Solutions, evaluating Cementir's ESG performance as 'Robust'. This places Cementir 6th out of 25 companies in the Building Materials sector.

MSCI ESG
In 2023, Cementir achieved an upgraded ESG rating from "BBB" to "A". MSCI ESG Research provides ESG ratings to global public companies and some private companies based on the exposure to industry-specific ESG risks and the ability to manage those risks.

Refinitiv
In 2023, Refinitiv assigned Cementir an "A-" rating with a score of 76/100, ranking 10th out of a total of 119 companies in the Construction Materials sector.

EthiFinance
In December 2024 Cementir has been scored 75/100 by EthiFinance. The company has been assessed on four pillars: Governance, Social, Environment, External Stakeholders.

Carbon Disclosure Project
In 2023, Cementir achieved recognition as Supplier Engagement Leader by CDP. The Supplier Engagement Rating is designed to assess and foster action on corporate supply chain engagement on climate issues.

Morningstar Sustainalytics
In 2024, Cementir received an ESG Risk Rating of 22.3 and was assessed by Morningstar Sustainalytics to be at Medium risk of experiencing material financial impacts from ESG factors. This also gave an inclusion in Sustainalytics' 2025 ESG Top-Rated Companies List.

S&P Global Corporate Sustainability Assessment
Cementir has been scored 61/100 in the 2024 S&P Global Corporate Sustainability Assessment (CSA score), making a 5-point improvement from 2023.

Integrated Governance Index
In June 2024 Cementir received a score of 55.99/100, with an ESG identity of Leader. The questionnaire assesses the degree of integration of ESG factors into company strategies.

Europe's Climate Leaders for 2024
In April 2024, Cementir has been recognised as Europe's Climate Leaders for 2024. This annual Financial Times and Statista survey lists the 600 European companies that have made the most progress in cutting their carbon emissions intensity over a five-year period.

ESG Identity Corporate Index
In June 2024 Cementir received a score of 55.99/100, with an ESG identity of Leader. The questionnaire assesses the degree of integration of ESG factors into company strategies.

Data and signatures

In this section we highlight ESG targets and performance in numbers as well as reporting principles and frameworks used.

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67 Statement from management

Our ESG performance in numbers

Environment	UNIT	2024	2023	2022	2021	See more
GHG emissions						
Scope 1 GHG emissions	TONNES	**1,438,137**	1,707,237	1,981,749	2,250,631	Page 29
Scope 1 GHG emissions intensity	KG PER TCE	**742**	782	868	923	Page 29
Scope 2 GHG emissions (Location-based)	TONNES	**25,523**	29,463	50,587	53,012	Page 30
Scope 2 GHG emissions (Market-based)	TONNES	0	162,953	184,083	184,173	Page 30
Scope 3 GHG emissions	TONNES	**483,730**	446,839	828,087	605,155	Page 31
Other air emissions						
SO2 emissions	TONNES	**377**	577	786	1,174	Page 31
SO2 emissions intentity	KG PER TCE	**0.19**	0.26	0.34	0.48	Page 31
NOx emissions	TONNES	**2,335**	2,414	2,706	2,671	Page 31
NOx emissions intensity	KG PER TCE	**1.20**	1.11	1.18	1.09	Page 31
Electricity						
Electricity consumption	MWH	**266,770**	279,627	330,253	347,943	Page 30
Fuel consumption						
Traditional fossil fuels	% OF THERMAL ENERGY	**50.8%**	60.3%	69.8%	72.0%	Page 29
Alternative fuels	% OF THERMAL ENERGY	**49.2%**	39.7%	30.2%	28.0%	Page 29

Environment	UNIT	2024	2023	2022	2021	See more
District heating						
Energy recovered for district heating	GJ	**1,060,604**	1,046,530	1,306,974	1,688,601	Page 39
Raw materials						
Raw material consumption	TONNES	**3,682,078**	4,086,903	4,541,113	4,931,067	Page 39
Material intensity	KG PER TCE	**1,900**	1,873	1,988	2,021	
Recycling rate	%	**10.2%**	10.4%	10.0%	9.2%	
Water						
Water consumption	M3	**1,149,257**	1,235,444	1,419,493	1,601,678	Page 40
Water intensity	LITRES PER TCE	**593**	566	621	657	
Recycling rate	%	**30.6%**	29.5%	29.0%	33.1%	Page 40
Waste						
Waste generation	TONNES	**41,180**	40,948	55,980	91,735	Page 40
Waste intensity	KG PER TCE	**21**	19	25	38	
Recycling rate	%	**19.3%**	93.5%	94.8%	64.8%	Page 40

Social	UNIT	2024	2023	2022	2021	See more
Health and safety						
LTIR, own employees	PER MIL. WORKING HOURS	**0.0**	5.4	3.6	26.0	Page 47
LTIR, contractors	PER MIL. WORKING HOURS	**13.4**	11.4	18.0	37.2	Page 47
High-consequence LTIR, own employees	PER MIL. WORKING HOURS	**0.0**	0.0	0.0	0.0	Page 47
High-consequence LTIR, contractors	PER MIL. WORKING HOURS	**0.0**	0.0	0.0	0.0	Page 47
Fatality rate, own employees	PER MIL. WORKING HOURS	**0.0**	0.0	0.0	0.0	Page 47
Fatality rate, contractors	PER MIL. WORKING HOURS	**0.0**	0.0	0.0	5.3	Page 47
Employee headcount						
Blue collars	HEADCOUNT	**146**	142	147	148	
White collars	HEADCOUNT	**212**	218	198	202	
All employees	HEADCOUNT	**358**	360	345	350	Page 48
Gender diversity, % women						
All employees	%	**18%**	19%	19%	18%	Page 48
Gender diversity in management, % women						
Senior managers	%	**15%**	24%	24%	24%	Page 48
Age distribution						
Employees below 30	%	**13%**	14%	14%	13%	Page 49
Employees between 30 and 50	%	**42%**	41%	40%	40%	Page 49
Employees above 50	%	**45%**	45%	46%	47%	Page 49
Training						
Training hours	HOURS	**5,112**	4,273	5,517	2,576	Page 52
Training hours intensity	HOURS PER HEADCOUNT	**14**	12	16	7	Page 52
Employee turnover						
Employee turnover rate	%	**13%**	14%	18%	17%	Page 52

Governance	UNIT	2024	2023	2022	2021	See more
Distribution of value added						
Payments to society	MILLION EUR	**67.5**	66.0	39.6	40.9	Page 56
Payments to employees	MILLION EUR	**21.9**	21.6	21.3	19.2	Page 56
Transferred to equity	MILLION EUR	**2.2**	5.9	26.6	-17.6	Page 56
Dividend to shareholders	MILLION EUR	**75.0**	80.0	40.0	64.0	Page 56
Interest on external financing	MILLION EUR	**14.2**	9.3	7.5	4.9	Page 56
Total	MILLION EUR	**180.8**	182.8	135.0	111.4	Page 56

Economic indicators	UNIT	2024	2023	2022	See more
Economic performance					
Net revenue	MILLION EUR	**355.7**	368.6	374.0	
EBITDA	MILLION EUR	**137.1**	135.9	112.7	
Net interest-bearing debt (NIBD)	MILLION EUR	**-112.4**	-112.8	-86.8	

Reporting principles and frameworks

REPORTING SCOPE

The report provides insight into the activities at the Aalborg Portland cement plant in Rørdal east of Aalborg, Denmark. Activities in other legal entities within the Aalborg Portland Holding Group, owned by the Cementir Holding Group, are not included in this report. The report covers the financial reporting year from 1 January 2024 to 31 December 2024. All information in this report is in accordance with the consolidated sustainability statements of the Group given in Cementir's Sustainability Report 2024, which also constitutes Aalborg Portland's compulsory statement on corporate social responsibility, cf. section 99a of the Danish Financial Statements Act.

SELECTION OF ESG DATA

We continuously develop and improve our ESG data and reporting to support better business decisions and to provide stakeholders with reliable, complete, balanced, accurate, comparable, and transparent insight concerning ESG activities. A materiality assessment in the annual strategic and industrial planning process guides the selection of ESG indicators and general content of this report. The concept of double materiality forms the basis of our materiality assessment, recognising that a sustainability issue can be material from an impact perspective (inside-out) or a financial perspective (outside-in), or both. Impact materiality is where our business has actual or potentially significant impacts on people or the environment. In contrast, financial materiality is where an issue generates significant risks or opportunities that have or may have a financial impact on our business.

APPROACH TO USING ESG STANDARDS AND FRAMEWORKS

Our ESG report is informed by various international ESG and sustainability reporting standards and frameworks. Our ambition is not to report in accordance with one specific standard or framework. Instead, we continuously monitor how standards and frameworks fit with the purpose of our ESG reporting.

SUSTAINABLE DEVELOPMENT GOALS

For many years, we have used the United Nations Sustainable Development Goals (SDGs) as a framework to categorise our ESG priorities and actions. We have identified 11 of the 17 SDGs that can impact the environment, our people and the broader community. Aalborg Portland has achieved a certification from Bureau Veritas for its work with the SDGs as part of the annual audit of the internal management system. An ESG/SDG cross-reference overview can be found on page 18.

GCCA SUSTAINABILITY FRAMEWORK GUIDELINES

Since Aalborg Portland is the only cement manufacturer in Denmark, we strive to conduct our ESG reporting in line with relevant industry standards to improve benchmarking capabilities. Therefore, the Global Cement and Concrete Association's (GCCA) Sustainability Framework Guidelines inform our ESG reporting, specifically in the selection of performance indicators. You can find these guidelines on www.gccassociation.org.

LOOKING AHEAD AT FUTURE STANDARDS

Due to the nature of our operations, we look forward to the EU sustainability reporting standards with great interest. We will closely follow the developments of the European Sustainability Reporting Standards (ESRS).

1. ENVIRONMENTAL INDICATORS

1.1 Direct GHG emissions (Scope 1)

The Greenhouse Gas Protocol forms the basis of our direct scope 1 emissions reporting, covering all our direct greenhouse emissions. Direct emissions are calculated as energy and raw materials consumption multiplied by emission factors. Scope 1 emissions are predominantly CO_2 produced by burning fuel and calcining chalk but also includes internal transport.

1.2 Indirect GHG emissions (Scope 2)

The Greenhouse Gas Protocol forms the basis of our indirect scope 2 emissions reporting. It comprises emissions linked to the purchase of electricity. Emissions are calculated as power volumes purchased multiplied by country-specific emission factors (location-based).
A new emission factor from an international database has been applied to figures in all years in accordance with the Cementir Group reporting standard.

1.3 Indirect GHG emissions (Scope 3)

The Greenhouse Gas Protocol forms the basis of our indirect scope 3 emissions reporting. It covers indirect emissions that occur in our value chain, namely categories 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, and 3.9 of the Greenhouse Gas Protocol. Other categories are deemed not material as they cover less than 1% of total scope 3 emissions. Beginning from 2023, a new methodology has been used to calculate emissions factors for raw materials used in cement production. The new emission factors are based on an economic allocation approach which is combined with the specific product EPDs from selected suppliers. In effect, the emission factors better reflect the allocated emissions as some raw materials should be considered as by-products.

1.4 SO_2 emissions

The burning of fuels produces sulphur dioxide (SO_2). The Kyoto Protocol does not cover SO_2 and it is, therefore, reported separately from scope 1 emissions as per the Greenhouse Gas Protocol.

1.5 NOx emissions

The burning of fuels produces nitrogen oxides (NOx). The Kyoto Protocol does not cover (NOx) and it is, therefore, reported separately from scope 1 emissions as per the Greenhouse Gas Protocol

1.6 Traditional fossil fuels

Traditional fossil fuel consumption is reported as the share of total thermal energy produced, mainly by fuel oil, petroleum coke and coal. Thermal energy is the energy produced from burning kiln fuels (fossil and alternative) used in the clinker manufacturing process.

1.7 Alternative fuels

Alternative fuel consumption is reported as the share of total thermal energy produced, mainly from refuse-derived fuel (RDF) and various types of waste biomass (e.g. meat and bone meal, wood chips, rubber, and plastic waste). Thermal energy is the energy produced from burning kiln fuels (fossil and alternative) used in manufacturing of clinker.

1.8 Raw materials

Raw materials consumption is reported as the wet mass used in the cement manufacturing process. Raw materials include chalk, sand, gypsum, fly ash, oxiton, iron oxide, and calcined clay. Both natural resources and recycled materials are included in the reporting.

1.9 Water

Water consumption is reported as the total water withdrawal minus total water discharge from the factory. This includes water which is recycled, recirculated or collected as rainwater.

1.10 Waste

Waste is reported as the total amount of waste materials from our cement manufacturing, often categorised as landfilled, incinerated, recycled, or as oils and chemicals. All waste materials are converted to metric tonnes for comparison purposes.

1.11 Electricity

Electricity consumption is reported as actual consumption (megawatt hours) according to the utility company. Electricity mainly covers the plant's base power load and power to run cement kilns and mills.

1.12 District heating

District heating is reported as actual deliveries of surplus heat (gigajoules) from the plant's waste heat recovery systems as reported on measurement units at Aalborg Forsyning. Surplus heat which is circulated internally to run the plant and heat office buildings is also included.

1.13 Cement equivalent (TCE)

The cement equivalent (TCE) is a standard industry indicator for cement related to the plant's production of clinker. Cement equivalent is measured as produced clinker multiplied by the average clinker-to-cement ratio for the year. The indicator is preferred over cement production or cement sales when calculating GHG emissions as the majority of emissions comes from the production of clinker and not from cement grinding. Cement equivalent is expressed in metric tonnes, often referred to as "TCE".

2. SOCIAL INDICATORS

2.1 Employee headcount
Headcount is reported as the total number of employees at the end of the reporting period. The headcount is expressed per blue collars, white collars (including employees with formal people management responsibilities) and as a total.

2.2 Age distribution
Age distribution is reported as the share of employees in each age category (below 30 years old, between 30 and 50 years old, and above 50 years old) compared to total headcounts at the end of the reporting period.

2.3 Gender diversity
Gender diversity is reported as the share of women compared to total headcounts at the end of the reporting period. Gender diversity is expressed per senior managers (the Executive Board and other directors and managers reporting to the Executive Board) and the Board of Directors.

2.4 Employee turnover
Employee turnover rate is reported as the number of employees leaving the company during the reporting period (including employees leaving voluntarily due to resignations or retirement, and employees being laid off) divided by the total headcount.

2.5 Training hours
Training hours include all types of internal and external training and instructional sessions. The main categories of training are health & safety, technical and functional, management education, leadership development, and cultural and corporate training.

2.6 Lost-time injury rate (LTIR)
LTIR is reported as the number of work-related injuries per one million hours worked where the person has absence from work as a result of the injury with and without medical treatment. LTIR is expressed as the number of lost time incidents per million working hours for own employees and the employess of contractors.

2.7 High-consequence work-related injury rate
High-consequence work-related injury rate is reported as the number of work-related injuries from which the employee cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months (excluding fatalities). High-consequence work-related injury rate is expressed per one million hours worked by own employees and the employees of contractors. The indicator is abbreviated as "high-consequence LTIR".

2.8 Fatality rate
Fatality rate is reported as the number of work-related fatalities per one million hours worked. Fatality rate is expressed as one million hours worked by own employees and the employees of contractors.

3. GOVERNANCE INDICATORS

3.1 Distribution of value added
Value added for the financial reporting year is reported as payments to society (VAT, income tax, environmental taxes, and employee income tax), payments to employees (salaries and pension contributions after tax), dividend to the shareholders, transferred to equity, and interest on external financing.

4. ECONOMIC INDICATORS

4.1 Net revenue
Net revenue is reported in accordance with the accounting policies mentioned in our Annual Report 2024.

4.2 EBITDA
Earnings before interest and taxes, depreciation, and amortization (EBITDA) is reported in accordance with the accounting policies mentioned in our Annual Report 2024.

4.3 Net interest-bearing debt
Net interest-bearing debt is reported in accordance with the accounting policies mentioned in our Annual Report 2024.

Statement from management

The management team have today discussed and approved the ESG Report of Aalborg Portland A/S for 2024. The data in the ESG Report has been prepared in accordance with the stated reporting principles. It is our opinion that the ESG Report presents a fair and balanced view of Aalborg Portland's ESG activities and performance in the reporting period.

MANAGEMENT

Søren Holm Christensen
Chief Executive Officer

Henrik Jeppesen
Chief Financial Officer

Peter Birkegaard
Managing Director

Aalborg, 23 April 2025

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