

ESG REPORT

2023|24

The 2023/24 ESG report for
AKV AmbA covers financial year
1st May 2023 – 30th April 2024.



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About this report.



The 2023/24 ESG report for AKV AmbA covers financial year 1st May 2023 – 30th April 2024. The report covers all activities in the group and presents consolidated data for AKV AmbA and AKV Sourcing & Supply A/S unless otherwise stated.

The report covers statutory reporting on corporate social responsibility as defined by section §99a of the Danish Financial Statement Act.



Letter from the CEO.



As the global focus on sustainability continues to grow, we recognize the importance of addressing this critical issue with determination and innovation. At AKV we have long prioritized sustainability, however as the demand for environmentally conscious practices increases, we acknowledge the need to continuously evolve. Our customers are seeking partnerships with companies that actively reduce their climate footprint, contributing to a more sustainable value chain.

At AKV, we are uniquely structured as a company owned entirely by Danish potato farmers. This ownership model ensures that our shared interests align in a purposeful direction. Together with our stakeholders, especially our suppliers and owners, we are committed to ethical and responsible business practices, striving to protect and preserve natural resources for future generations.

This report represents an important milestone for AKV, as it is our very first ESG report. It reflects our commitment to transparency, accountability, and continuous improvement within sustainability. By sharing our progress and challenges, we aim to build trust with our owners and customers while demonstrating our dedication to creating a positive impact.

We adhere to the 10 principles of the UN Global Compact, which encompasses human rights, labor rights, environmental protection, and anti-corruption. Furthermore, we actively support several UN Sustainable Development Goals. Our efforts include investing in our farmer-owners' operations and sharing our expertise to enhance their productivity and product quality. For instance, we conduct research to optimize potato yields and host an annual grower meeting to share the latest agricultural knowledge. These initiatives foster a collaborative network among farmer-owners, allowing them to exchange experiences and best practices. The result is a high-quality potato supply cultivated in pure soil, air, and water.

In our production facilities, we have implemented and will in the future continue implementing several environmental initiatives to continuously reduce our energy consumption and environmental impact. Our production adheres to the EU's Best Available Technology (BAT) standards, and we conduct regular environmental screenings to optimize energy use. Through our ISO 50001 certification, we are also dedicated to ongoing energy efficiency improvements across our value chain.

This first ESG report is just the beginning. AKV is well underway on our sustainable journey, and looking ahead, we will intensify our efforts to document our actions within sustainability. By enabling our partners to demonstrate improvements within their value chains, we aim to contribute meaningfully to a more sustainable future.



**Sincerely,
Ronnie B. Nielsen, CEO**



About AKV.

At AKV we produce and sell potato starch, potato protein, seed potatoes, and byproducts, utilizing every part of the potato.

Founded in 1933, AKV is a cooperative owned by 181 Danish potato farmers. Due to this structure, we are uniquely positioned to influence the entire value chain, from selecting sustainable potato varieties to optimizing harvesting and transport. Our trial fields focus on developing blight-resistant, high-starch potato varieties, ensuring both environmental and economic benefits.

We are guided by our vision, our mission and our values in our daily work. These ensure that we continue to deliver the best possible products, value our farmer-owners and support our employees.

Vision

We want to be the preferred supplier of value-added starch products by delivering high quality, extensive knowledge of development and application of functional starches for the food industry.

Mission

Create highest possible value for our farmer-owners and customers through development and production of value-added potato products.

Our values

Trust in people and partnerships.

We strive to become our customers' preferred choice by building trust through long-term partnerships. At the same time, we empower our people to take personal responsibility.

An agile organisation.

We act swiftly and with flexibility, always pursuing innovative and efficient solutions.

Doing things right.

We take pride in doing things right first time and in line with the highest ethical standards.

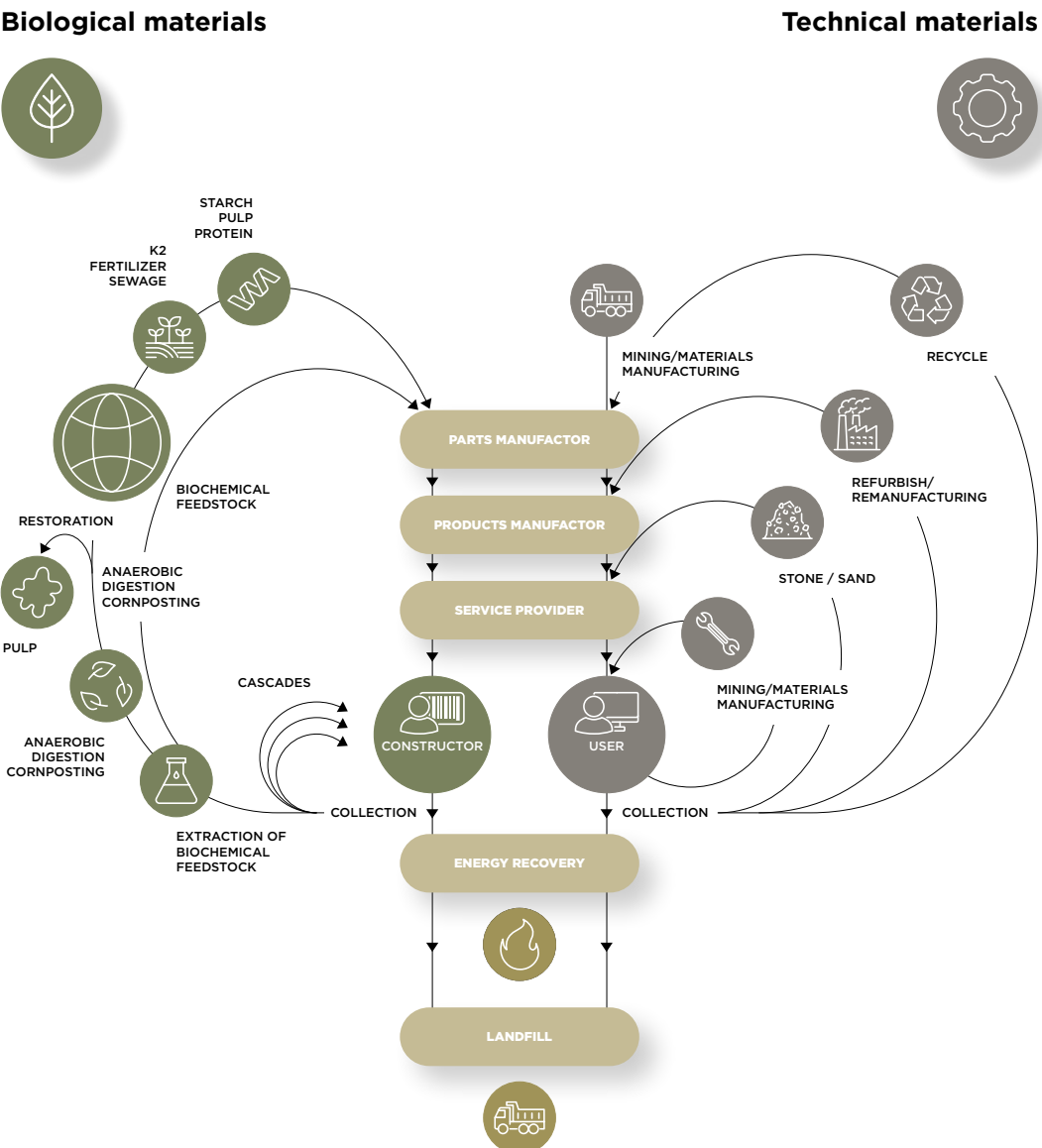
Delivering on promises.

We always deliver on our promises to customers, employees, partners and owners.

Maximizing Value from Every Potato.

At AKV, nothing goes to waste. Every part of the potato is utilized to create value. The starch becomes a functional ingredient for the food industry, while the protein serves as a high-quality nutritional source for animal feed. Pulp and protamylasse are utilized for feed, biogas and fertilizer ensuring that we live up to our promise of wasting nothing. By leveraging the potential of every potato, we not only reduce waste but also support sustainable agriculture, enhance resource efficiency, and provide benefits to our cooperative farmers, the environment, and society.

Figure 1
Utilizing the potato.



Every component is utilized to create value.

Starch

Extracted and transformed into high-quality functional ingredient solutions for the food, paper, and animal feed industries.

Protein

A valuable nutritional source for animal feed, particularly for piglets and livestock.

Pulp

A by-product repurposed as cattle feed or for biogas production.

Protamylasse

A nutrient-rich liquid fertilizer, sold primarily to potato growers to enrich the soil and close the loop.

Water

Water from the potato and production is cleaned and parts of the water is used for irrigation of the fields in order to minimize usage of groundwater.

As AKV manages the entire value chain, from selecting and breeding high-yield, disease-resistant potato varieties to efficient harvesting and processing, we are in a unique but also committing position.

Our work starts in the test fields with a focus on developing sustainable, resilient potatoes with optimal starch content. Potatoes are called in through a system that ensures a steady supply for production while reducing energy consumption and transport time for farmers.

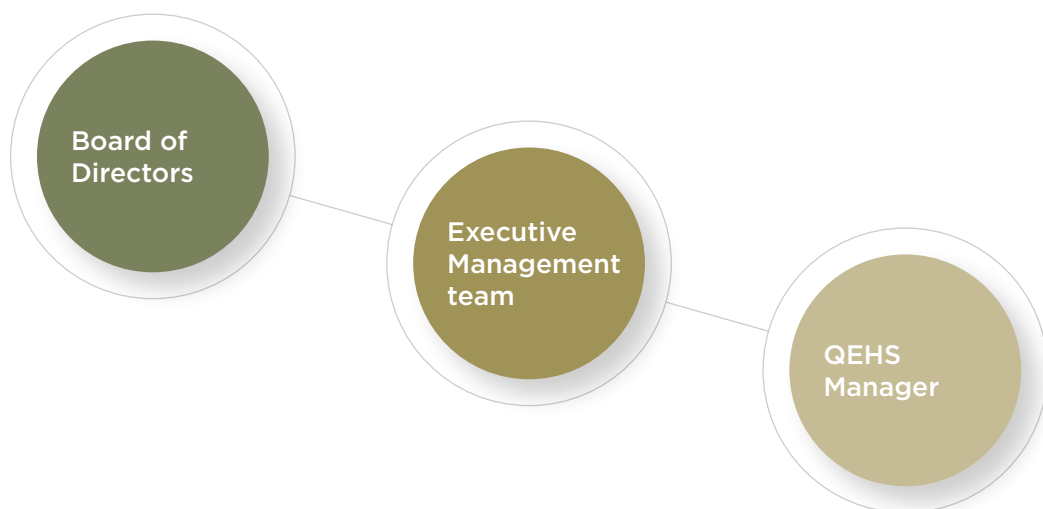
At the factory, potatoes are broken down into their primary components; starch, pulp, and juice. Proteins are extracted from the juice, while the remaining liquid is processed into K-2 fertilizer. This approach ensures the full utilization of resources, turning by-products into valuable commodities.



Governance structure.

At AKV, we are embedding ESG principles into our core operations, to ensure that we do not only address present challenges but also prepare AKV to meet the future with resilience and responsibility. Our sustainability framework is supported by a robust governance structure, ensuring accountability and progress at every organizational level:

Figure 2
Governance structure.



Board of Directors

The Board holds ultimate responsibility for overseeing our sustainability strategies. They ensure that our objectives align with AKV's broader business priorities and ethical commitments.

Executive Management team

As key drivers of our sustainability agenda, the Executive Management team is responsible for setting our strategy and targets in collaboration with the Board and QEHS Manager. This role includes prioritizing resources and ensuring actions align with our overall priorities.

QEHS Manager

The QEHS Manager has the operational responsibility of implementing initiatives and driving actions within sustainability. This includes continuously informing the Executive Management team and Board of Directors of initiatives and performance as well as collaborating with our Agricultural Manager and Production Director to identify potential improvements. The QEHS Manager is furthermore responsible for integrating the perspectives of our customers.

From 2024/25 we have chosen to further focus on our commitment to sustainability and ESG by separating the functions in quality and EHS. This will ensure that the EHS Manager can assign more time to the work with ESG.

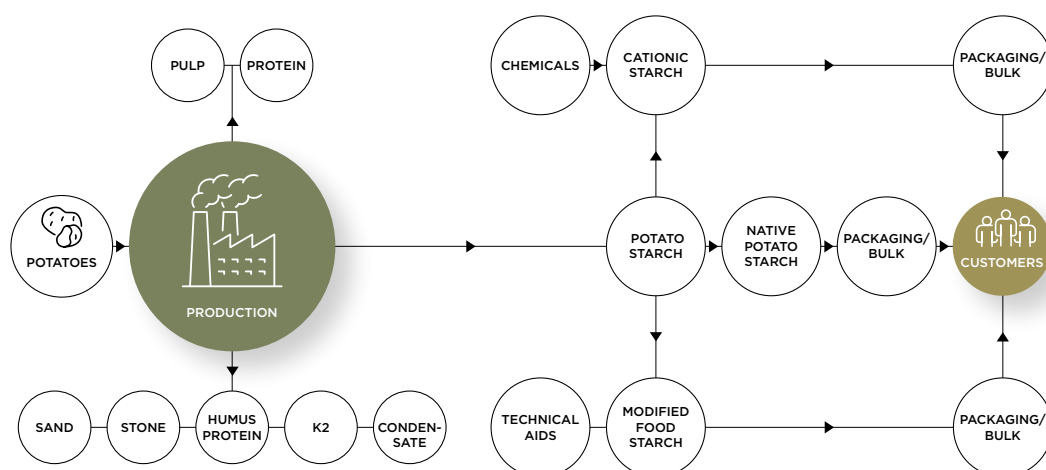
AKVs ESG focus areas.



At AKV, we have identified our ESG focus areas through a detailed assessment of our value chain, stakeholder input, industry risks, and production input. This process aligns with the double materiality approach defined by the European Financial Reporting Advisory Group (EFRAG), which considers both our impact on the environment and society and how environmental and social issues influence our business. This work also prepares us for further aligning our reporting with the Corporate Sustainability Reporting Directive (CSRD) in the coming years.

Our value chain.

Figure 3
Value chain.



Each year, we process approximately 360,000 tons of potatoes during the late-August to December campaign, producing 85,000 to 95,000 tons of native potato starch and 4,000 tons of protein from potato juice. By-products such as 45,000 tons of potato pulp and 20,000 m³ of protamylasse are repurposed for cattle feed, biogas production, and natural fertilizers.

Starting from the potato cultivation in our value chain, this requires nitrogen, phosphorus, and potassium, along with effective weed and growth control to maintain yields. At our own facilities, our energy-intensive drying and pumping processes further contribute to greenhouse gas emissions. Furthermore, water plays a critical role in both our value chain and our own operations, with irrigation needed to ensure healthy crops as well as large amounts used to wash potatoes.

More than 95% of our starch is exported globally, which requires transportation of goods to various locations across the world. Furthermore, our global exports expose us to various ethical risks related to workers rights, human rights and other ethical issues.

Figure 4
AKV ESG focus areas.



Engaging with stakeholders is central to our ESG efforts. Farmer-owners are deeply invested in both our financial performance and sustainability initiatives, while employees play a crucial role in driving engagement and success through training and collaboration. External stakeholders, including environmental agencies, municipal governments, and competitors, influence our regulatory and operational environment, while customers and suppliers help ensure compliance and product quality. Regular dialogue with stakeholders helps us address issues such as emissions, biodiversity, and compliance with environmental laws. Collaborative efforts with banks, unions, and advisors further support financial stability and adherence to labor standards.

Based on this comprehensive approach, we have identified five key sustainability topics that are material to our operations. These focus areas enable us to proactively address the challenges and opportunities within our value chain, ensuring that we meet both current demands and future expectations effectively.



UN Sustainable Development Goals.

AKV is committed to corporate social responsibility, which is why we have followed the UN Global Compact's (UNGC) 10 principles since 2019. These principles set standards for responsible business conduct, based on international agreements on human rights, labor rights, environmental protection, and anti-corruption.

We see the UNGC's 10 principles as a foundation for our work with the UN Sustainable Development Goals (SDGs). Among the 17 SDGs, AKV has chosen to focus specifically on five, with particular emphasis on Zero Hunger as part of our strategic priorities. The remaining four SDGs reflect the values and practices guiding our daily operations.

SDG 02 Zero Hunger.



AKV actively contributes to ending hunger, achieving food security, improving nutrition, and promoting sustainable agriculture.

We address food security by supplying starch to the food industry, helping to reduce production costs. This ensures that food products are more affordable, making it easier for people to access essential nourishment.

Through our Agro Department, we support sustainable agriculture by developing potato varieties resistant to blight. This reduces the need for pesticides, benefiting both farmers and the environment.

This SDG is at the core of our business strategy, driving our efforts to create a positive impact through our operations.

SDG 03 Good Health and Well-being.



We aim to promote healthy lives and well-being for all ages.

Our employees are our strength, and we ensure they work in safe and secure conditions. Based in Denmark, our workforce benefits from robust social protections and high workplace standards.

To maintain open communication, we have established a Works Council consisting of three employee representatives, the CEO, and the Head of Agro. This council fosters dialogue between staff and leadership.

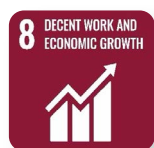
SDG 4
Quality Education.



We are dedicated to providing equal access to quality education and promoting lifelong learning opportunities.

At AKV, we believe that employee skills and attitudes are key to our future success. That's why we invest in training, education, and internal collaboration to help our employees grow and adapt to new challenges.

SDG 08
Decent Work and Economic Growth.



We support sustained, inclusive, and sustainable economic growth, with full and productive employment for all.

As a cooperative owned by potato farmers, AKV operates with a secure foundation of raw material supply and production. This stability enables us to provide steady employment and economic growth for our farmer-owners and local communities.

Our future strategy focuses on creating commercial value by selling starch for both economic and sustainable gains.

SDG 12
Responsible Consumption and Production.



We strive to ensure sustainable consumption and production patterns.

Across our value chain, we work to balance supply and demand. For instance, in years with high starch demand, we offer B-shares, which involve deliveries later in the campaign. This allows us to adjust production based on market conditions.

Our Agro Department advises farmer-owners on optimizing storage and cultivation techniques to maximize yield while minimizing costs and energy consumption.



ESG performance

Environment and climate.

At AKV, we understand the environmental challenges tied to our operations. Processing potatoes into starch, protein, pulp, and K2 fertilizer requires substantial energy and water, particularly during extraction and drying. With over 95% of our native starch production exported globally, primarily to the food industry, transportation also contributes significantly to CO₂ emissions.

We are committed to addressing these challenges by maximizing the value of every potato and minimizing waste. Every by-product is repurposed to contribute to the supply chain, ensuring a sustainable approach. Additionally, we focus on improving energy efficiency across production and distribution, reducing our carbon footprint, and optimising water usage.

Our priorities evolve around three key areas: energy use in production, CO₂-emissions from our value chain, and water usage. These efforts are part of our commitment to continuous improvement within sustainability.

All data presented in this report reflects our entire organization and should not be seen as product-specific information on CO₂-emissions.

Energy and water usage in our production facilities.

At AKV, we are aware of the challenges and risks associated with energy use in our operations. Our production processes, particularly drying and pumping systems, require significant energy, creating both cost and sustainability pressures. Reliance on natural gas for these energy-intensive activities adds complexity, especially with the potential for future taxation and fluctuating energy prices.

External factors such as changes in energy agreements, stricter environmental regulations, and evolving municipal policies also affect our planning and operational efficiency. Additionally, geopolitical conflicts, global crises, and gas supply uncertainties introduce further challenges.

These challenges highlight the importance of our investments in energy efficiency, renewable energy projects, and flexible strategies to adapt to changing conditions.

Actions in 2023/24

- Mapping our energy use and establishing a system for our electricity meters to gather collected data and establish a baseline.
- Conversion of boiler to a dual-fuel burner.

Planned actions for 2024/25

- Setting targets for energy reduction with the baseline established in 2023/24.
- In the coming year the focus will be on further exploring and pursuing solutions for renewable energy at our own facilities.
- Exploring options for circulating heat from our drying process.
- Continuous energy efficiency improvements.

Our Policies and Commitments.

At AKV, energy management is at the core of our sustainability efforts. Our approach focuses on reducing energy consumption and improving efficiency across operations. This includes setting annual energy-saving targets, integrating energy-efficient technologies, training employees, and collaborating with external consultants. We document progress in our annual environmental report and monitor improvements to ensure that our actions are both sustainable and economically viable.

We are certified under ISO 50001 (Energy Management) and committed to applying Best Available Techniques (BAT) to enhance energy efficiency.

Actions and results in 2023/24.

In 2023/24, our focus was on establishing effective solutions for monitoring energy use across production facilities and implementing targeted efficiency improvements. External consultants conducted energy audits and evaluated heat pump solutions, ensuring that BAT standards were effectively applied.

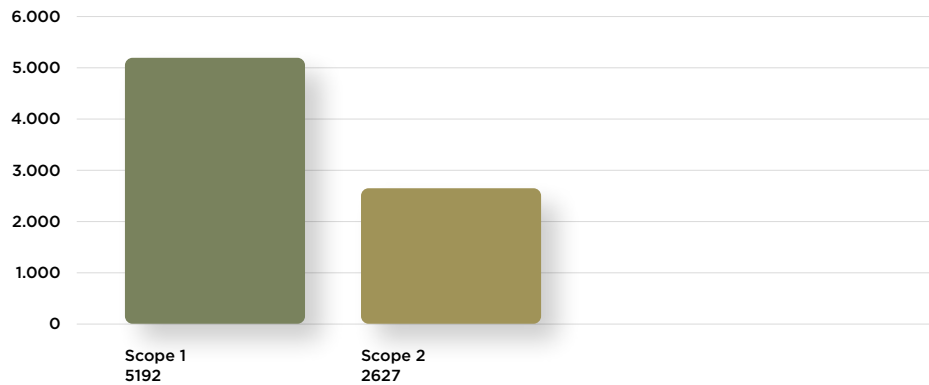
A specific initiative that we implemented was the conversion of our boiler into a dual-fuel burner to ensure stability of energy supply and the ability to switch to fuels with lower climate impact. Another key focus was the evaluation of transitioning drying processes from natural gas to electricity, where we completed initial analyses and will continue to evaluate the potential of this investment.

To guide our daily work, we use various KPIs in the production to monitor our energy use per ton starch produced, electricity use, use of natural gas and use of processing aids and ensure that we are on track. This is done in our Smiley-report, where our targets are also presented and monitored.

Key performance indicators	Unit	2023 /24
Scope 1 total	Ton CO ₂ e	5.192
Scope 2	Ton CO ₂ e	
Location-based*	Ton CO ₂ e	2.627
Market-based**	Ton CO ₂ e	11.031
Total CO ₂ emissions (using location-based approach to scope 2)	Ton CO ₂ e	7.819

* The overall emissions from scope 1, 2 and 3 are calculated using the location-based approach for scope 2
 ** The overall emissions from scope 1, 2 and 3 are calculated using the market-based approach for scope 2

Scope 1 and scope 2 CO₂e emissions.



Future Actions Planned.

Looking ahead to 2024/25, we will evaluate renewable energy projects, including investments in solar and wind energy. Our efforts to optimize drying processes will continue with plans to enhance energy reuse systems and continue to further explore transitioning from natural gas to electricity.

We will also continue strengthening our infrastructure to prepare for potential energy supply disruptions, diversifying energy sources to ensure resilience.

Emissions related to our value chain.

At AKV, we are committed to minimizing our environmental impact and reducing CO₂-emissions across every stage of our operations. However our value chain involves a wide range of activities that contribute to greenhouse gas emissions, spanning from agricultural inputs to product delivery and packaging, making it crucial that we generate a detailed overview of these emissions.

Emissions from transportation play a significant role, with container ships and road transport being the primary methods for delivering products globally. Additionally, agricultural practices such as fertilizer application and diesel use in potato farming contribute to upstream emissions, while packaging production and disposal further impact the environment in our downstream value chain.

With increasing demands for data on CO₂-emissions throughout the value chain, AKV has in 2023/24 focused on collecting detailed data on emissions from key areas such as transportation, fertilizer use, diesel consumption in potato farming, and other inputs into production processes. The process of collecting supplier-specific data will continue over the coming years to enable greater transparency and support informed decision-making.

Actions in 2023/24

- Establishing a baseline for our CO₂-emissions in scope 3.

Planned actions for 2024/25

- Collecting data from our potato breeders to enhance the data quality of CO₂-emissions through the ESGreen Tool.
- Focus on new breeds with reduced need for pesticide usage.

Supplier and Agricultural Inputs.

In the partnership with our farmer-owners, we continuously focus on optimizing the use of fertilizers and improving farming techniques to reduce energy and pesticide use while ensuring a higher yield from the production. In 2023/24 we continued our weekly newsletters with suggestions for environmentally and economically sustainable improvements to their production such as suggestions for new varieties of potatoes for optimal starch content and lower fertilizer and pesticide requirements.

In 2023/24 we furthermore initiated a trial on gathering supplier-specific data from our suppliers using the ESGreen Tool. In 2024/25 we will continue rolling out our ESGreen Tool to better measure and manage emissions across our supply chain. This data-driven approach will enable us to calculate CO₂-emissions per kilogram of starch and collaborate with growers on adopting new, low-emission technologies for fertilizers and fuels.

Transportation.

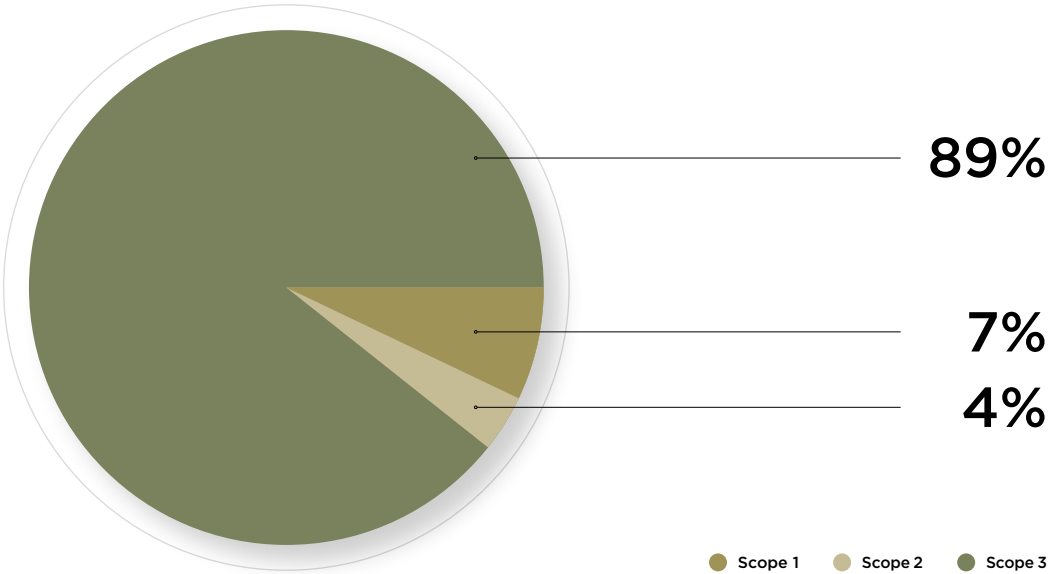
In 2023/24, the focus was to ensure valid data on CO₂-emissions from our logistics providers. As our emissions from especially downstream transportation are significant, we are in continuous dialogue with these logistics suppliers to evaluate more sustainable solutions such as the potential use of biofuels and electric trucks.

Packaging.

In 2023/24, we reduced the thickness of the stretch film we use in packaging, which helped lower material consumption and cut emissions. We also reviewed our packaging materials to find new ways to make improvements.

In the future, we aim to introduce more sustainable packaging solutions, including bulk options where feasible. We will furthermore continue working with suppliers to source recycled and low-emission materials to reduce emissions from our packaging.

Key performance indicators	Unit	2023 /24
Category 1: Purchased goods and services	Ton CO ₂ e	51.472
Category 3: Fuel and energy related activities not included in scope 1 and 2	Ton CO ₂ e	2.522
Category 4: Upstream transportation and distribution	Ton CO ₂ e	280
Category 6: Business travel	Ton CO ₂ e	425
Category 7: Employee commuting	Ton CO ₂ e	195
Category 9: Downstream transportation & distribution	Ton CO ₂ e	7.299
Scope 3 total	Ton CO ₂ e	62.193



Water usage.

At AKV, water is an essential part of our operations, with a significant amount of water used to wash potatoes. While our wastewater contains processing aids such as polymer and antifoaming agents, these are organic components and have no environmental impact when used for irrigation on local fields, why our main focus is on the water extraction and use related to our production.

Actions in 2023/24

- Through continuous optimization and ensuring more consistent operations, water consumption per ton of starch produced decreased in 2023/24.

Planned actions for 2024/25

- In 2024/25 a more precise mapping of water consumption will be conducted to ensure the best possible foundation for ongoing consumption management.
- Possibilities of further reusage of water in the production process.

Policies and Commitments.

AKV is dedicated to sustainable water management, minimizing consumption while maximizing reuse. We are committed to full compliance with regulatory requirements for water extraction, usage, and disposal, managing wastewater through environmentally responsible methods. These actions are aligned with industry best practices and reflect our commitment to reducing environmental impact.

Actions and results in 2023/24.

In 2023/24, our wastewater from potato washing was repurposed for irrigation over farmland, utilizing organic materials like biofilm safely. Condensate water from production was stored in lagoons and used for irrigation of nearby fields during the summer, reducing reliance on fresh water.

Additionally, we secured regulatory approval for channels to infiltrate treated condensate water into willow plantations, enabling us to continue the implementation of this project in the coming years.

Planned Actions for 2024/25.

Looking ahead, we will explore advanced water recycling technologies to reduce dependency on fresh water. These systems aim to address biofilm challenges without relying on chemical treatments, balancing efficiency with environmental sustainability.

While these solutions hold promise, we are still in the stage of exploring the solutions, as the current available technologies involve significant reliance on energy and chemicals. In 2024/25 we will continue exploring the feasibility of closed-loop water systems while optimizing irrigation practices to ensure treated wastewater is utilized effectively.

Social.

In our value chain, we need to be aware of many social aspects, however as identified in our identification of focus areas based on materiality, the main topics are related to our own employees, workers in the value chain and specifically food safety for the consumers.

Our own employees.

At AKV, our employees are central to our mission of delivering high-quality potato ingredients. With a foundation in Denmark, all employees benefit from strong social and labor protections. However, we go beyond the basics by fostering continuous dialogue and conducting well-being surveys to create the best possible working conditions.

Our employee satisfaction engagement survey conducted in 2024/25 showed results that we are very satisfied with, both in terms of participation and results. All areas where improvement is necessary have been reviewed in management and targeted initiatives have been implemented.

We prioritize the well-being of our employees through comprehensive health and safety protocols and external evaluations, to ensure a secure working environment. Our commitment to diversity and inclusion has enriched our workforce with varied nationalities, particularly within our sales team. We actively pursue generational transitions to enhance diversity in leadership roles. Structured onboarding and continuous training programs support employee development, while regular engagement activities foster a collaborative and motivated workplace culture. By investing in our employees, we uphold our dedication to quality and innovation in serving the global food industry.

Our commitments are documented in our employee handbook and our Policy for Safety and Working Environment.

Health and Safety.

At AKV, the safety, health, and well-being of our employees are fundamental to how we operate. Working with heavy machinery during the production and packaging of potato starch involves inherent risks, making workplace accidents and near-misses a key focus.

Actions in 2023/24

- Continued ensuring safe disabling of machinery during maintenance and cleaning through our LOTO system.
- Reviewed all workplace accidents in the occupational health and safety committee.
- Registered and reviewed near-misses.

Planned actions for 2024/25

- Add additional resources to the area by employing a dedicated resource to EHS.
- Implement a new system for registering accidents and near-misses.

Policies and Commitments.

Our Policy for Safety and Work Environment demonstrates our commitment to maintaining a secure and supportive workplace. This includes a systematic safety system that meets regulatory standards, regular workplace assessments (APV), and employee satisfaction surveys to address any safety concerns. All employees receive annual safety training focused on accident prevention and compliance with safety guidelines, with the goal of achieving zero workplace accidents. As part of our dedication to continuous improvement, AKV participates in the European Starch Industry Association safety working group, sharing safety data and adopting best practices across the industry.

Actions and results in 2023/24.

In 2023/24, all workplace accidents and near-misses were reviewed by our occupational health and safety committee to identify and implement preventive measures. Employees were provided with training to strengthen safety awareness, and we actively participated in the Starch Europe Safety Program to benchmark and refine our safety practices.

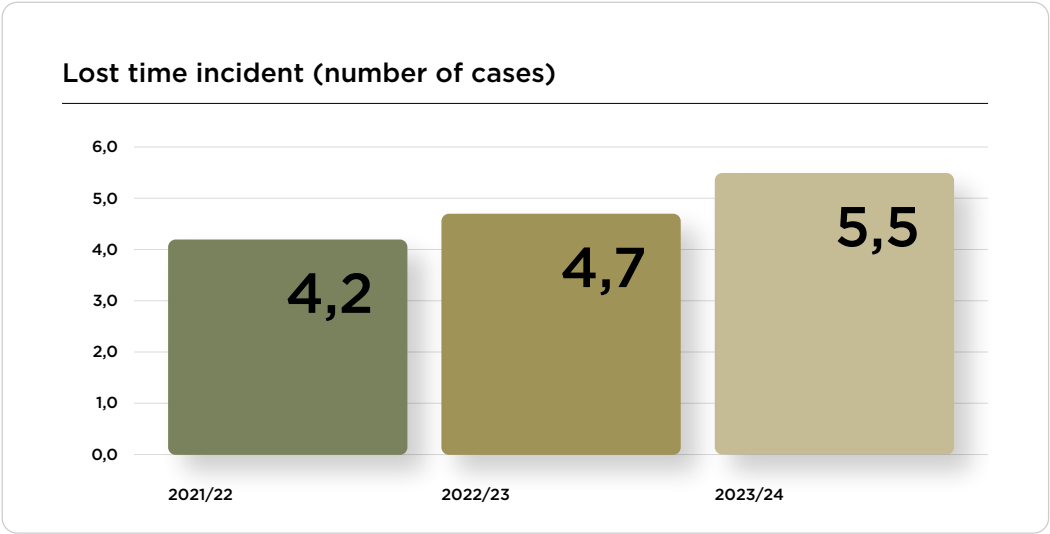
We have continued our focus on safety through our LOTO (Lock-Out, Tag-Out) system, ensuring that machinery can be safely disabled during maintenance and cleaning.

In the 2023/24, we experienced three workplace accidents resulting in absence from work. Accidents and near-misses are addressed by the workplace safety organization to minimize the risk of injuries. We have furthermore continued to register and review all near-misses to identify potential areas of improvement.

Planned Actions for 2024/25.

In 2024/25, we will strengthen our focus on health and safety by dedicating additional resources to EHS management and introducing a new system to improve tracking of incidents and near-misses. Training programs will be expanded, and safety considerations will be a priority for all new investments and facility upgrades.

Lost time incident frequency.



Diversity.

At AKV, we operate in an industry traditionally dominated by male employees, particularly in production roles. While we have made progress in improving gender diversity over the past five years, women remain underrepresented in technical positions. In the production, roles like dairy operators and industrial workers are predominantly held by men, while women are well-represented in non-production roles.

In terms of other aspects of diversity, our organization has seen increasing international diversity, contributing to a more global perspective. Maintaining a balance across age groups is also essential for ensuring innovation and sustainability. Over the past six to seven years, we have successfully attracted younger employees, with over 18% of our workforce now aged 20-29, while retaining experienced staff who bring valuable knowledge and expertise.

Actions in 2023/24

- Continuous focus on employing various nationalities in the sales organization to support a more international approach.
- Focus on attracting talent of various genders, backgrounds etc. in recruiting.

Planned actions for 2024/25

- Additional resources for HR to provide more structure and ensure action.

Policies and Commitments.

Diversity is an essential part of our values at AKV. We believe in equal opportunities for all employees, regardless of gender, nationality, age, or background. We actively promote fair and supportive working conditions that foster inclusion and employee satisfaction.

Our cooperation committee is a vital part of this effort, serving as a platform for addressing employee well-being, development, and workplace satisfaction. Through this collaborative approach, we aim to create an inclusive culture where every employee feels valued and supported.

Actions and results in 2023/24.

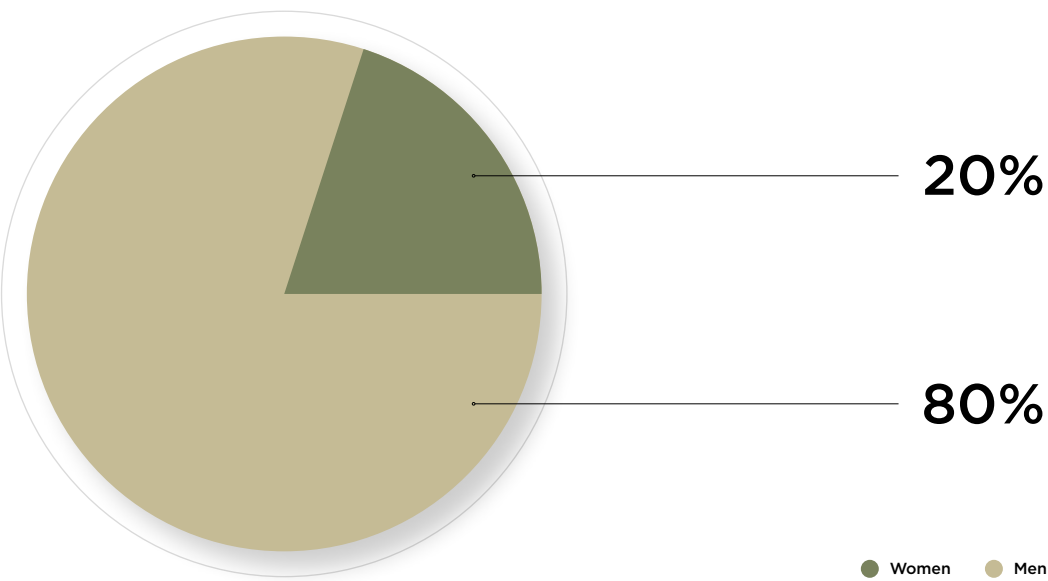
In 2023/24, we continued to prioritize diversity across the organization. Female representation in office roles remained steady at 36%, while our sales team welcomed new international members, enriching our cultural diversity. We also expanded our age diversity, with younger employees now making up over 20% of our workforce.

Planned Actions for 2024/25.

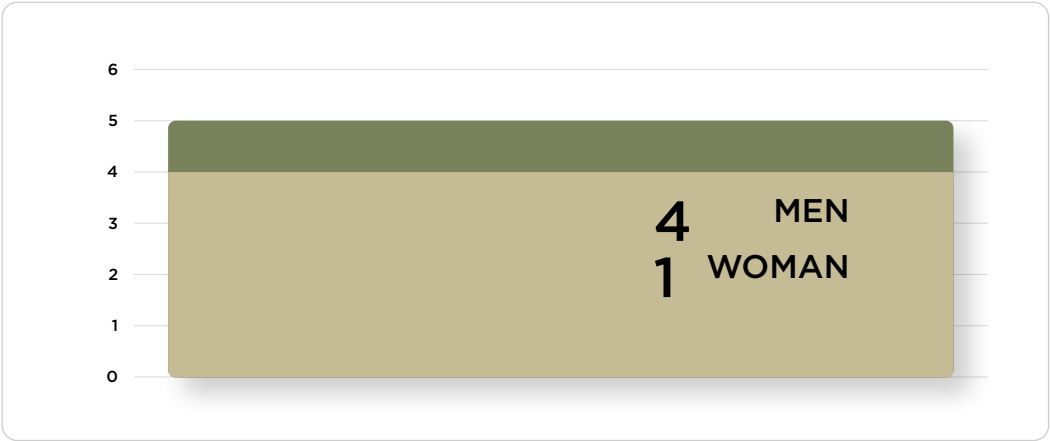
In 2024/25 we will add additional resources to the HR area to enable more structure and ensure action in the management team, which will likely also strengthen the work with diversity.

In the coming year, we will further encourage women to pursue technical roles and support international hires throughout the organization. Attracting and retaining younger employees will remain a focus, as we continue to balance fresh perspectives with the expertise of our more experienced staff. This will also be a focus in recruiting potential new members of our management team, as the current average age is 51 years old.

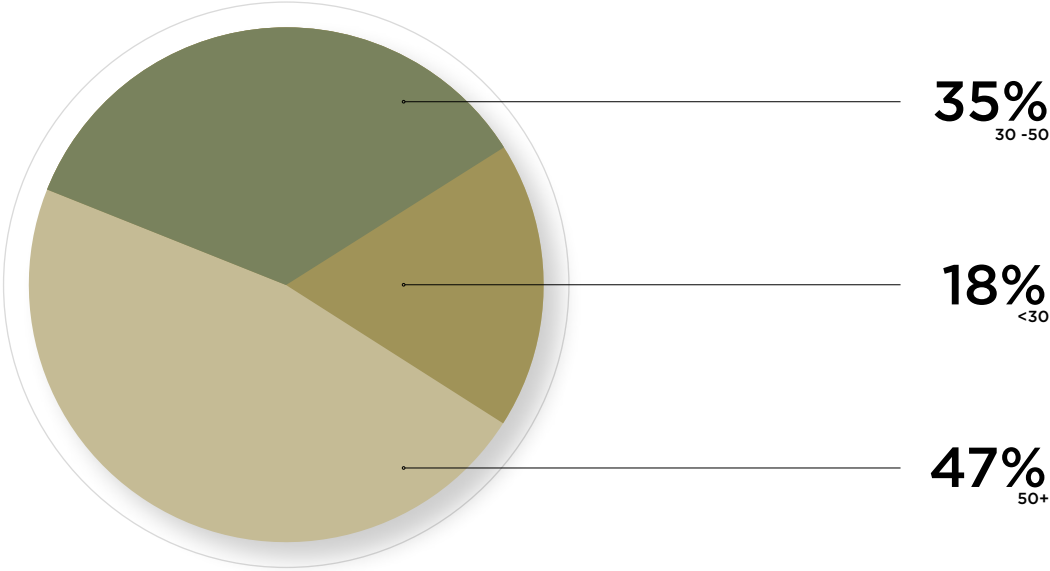
Gender diversity all employees.



Gender diversity in management.



Age diversity all employees.

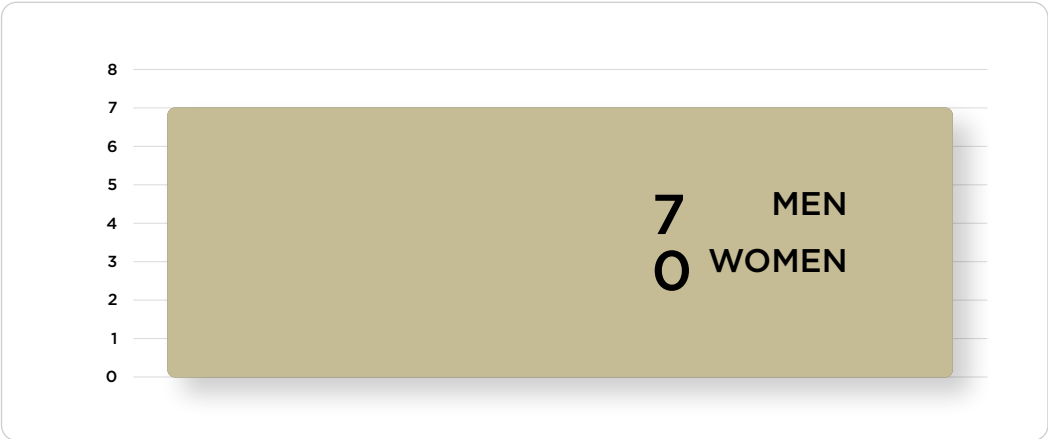


Diversity in the Board of Directors.

AKV's Board of Directors, consisting of six farmer-owners and one external member, reflects the cooperative nature of the company. Over the years we have worked with age diversity in the Board of Directors and have succeeded with a generational shift in the Board. However, we are still aware of the pressing challenges related to a generally high age amongst our farmer-owners.

While rooted in tradition, AKV is committed to fostering a more inclusive and diverse board to ensure dynamic leadership that reflects the evolving needs of our industry.

Gender diversity in Board of Directors.



Training and skills development.

At AKV, we recognize that the development of our employees’ skills and competencies is key to sustaining a high-performing and innovative workforce in the field that we operate in. Our main focus is on structured training and development programs as they are essential to prevent skill gaps that could impact productivity, employee satisfaction, and operational excellence. Furthermore effective onboarding is important to ensure new employees integrate smoothly and become valuable contributors to the organization.

Actions in 2023/24	Planned actions for 2024/25
<ul style="list-style-type: none">· 2,253 training hours in total across 87 courses.· Establishment of a formal onboarding process.	<ul style="list-style-type: none">· Focus on training for office staff.· Leadership development training.· Enhance structure of career development conversations with a new competency matrix and structured follow-up.

Policies and Commitments.

Training and development are integral to our commitment to delivering high-quality products while fostering employee growth. We conduct annual performance reviews with all employees, creating an open dialogue to set clear development goals, assess progress, and align personal aspirations with the company's needs. AKV is also committed to its role in social responsibility by offering learning opportunities to young people.

Our development plans focus on providing structured opportunities for employees to grow, including tailored training programs and educational initiatives. A formalized onboarding process equips new hires with the knowledge and tools to succeed, while competency matrices and leadership training ensure that skills are continuously developed across the organization.

Actions in 2023/24.

In 2023/24, AKV delivered a comprehensive range of training initiatives. Employees participated in a total of 87 courses, amounting to 2,253 hours of training. These programs included team-building activities for production teams, HACCP training for food safety, and technical courses such as sealing and packing technology, boiler operation, and crane safety.

In 2023/24, our employees participated in a total of 87 courses, amounting to 2,253 training hours.

The training programs were tailored to balance organizational needs with individual aspirations, ensuring a mix of group-focused initiatives and employee-requested courses.

The results of our recent employee satisfaction survey concluded that the majority of our employees experienced a culture of being able to use and develop their skills at AKV, which reflects that our focus on training and development has been successful.

In 2023/24 we also established a more formal onboarding process with specific actions for each part of the onboarding to ensure a more streamlined process and satisfaction from the employees.

Planned Actions for 2024/25.

In 2024/25, we will expand our training initiatives to increase development opportunities for all employees. A particular focus will be on providing office staff with additional training to align their average training hours with the high levels already achieved in hourly worker programs.

In 2024/25 we will implement a formalized training program for middle managers to ensure that they have the right competencies for supporting the organization as we grow both in terms of facilities and number of employees.

Employee development reviews will become more structured, with an emphasis on follow-ups to ensure tangible outcomes and further implementation of our competency matrix for the development conversation. We will also enhance our apprenticeships and trainee programs to nurture the next generation of professionals.

Working conditions in our value chain.

AKV does not accept any form of human rights violations or violations of general guidelines for good working conditions and places great importance on ensuring that all links in the value chain respect human rights and workers' rights. Our policies ensure that discrimination, child labor, and involuntary work are strictly prohibited. The main risk is considered to lie with suppliers of consumables for production and for workers at the facilities of our customers.

Policies and Commitments.

We continuously evaluate our suppliers. In our Navision financial system, we have a 'Supplier Approval' feature where we assess our suppliers every two years on various parameters.

Actions and results in 2023/24.

We continuously evaluate our suppliers. We assess our suppliers every two years on various parameters to ensure they live up to the same high standards as AKV does. We furthermore maintain regular contact with distributors and customers and ensures through dialogue, certifications, and audits, that AKV as well as our partners uphold responsible business practices across all markets.

We are not aware of any human rights violations in 2023/24. We have furthermore not identified suppliers nor customers where we need to pay additional attention due to potential violations of human rights nor working conditions.

Planned Actions for 2024/25.

This area will continue to receive increased attention from AKV. With the coming regulation on Extended Producer Responsibility, we will enhance our setup on identifying potential risks for violations of human rights and working conditions.

Food safety.

Ensuring the safety and quality of our products is central to AKV's mission, particularly as a producer of potato-based ingredients for the global market. Food safety is a critical priority to protect end-users and maintain trust in our brand. Risks include contamination during raw material handling, production processes, and transportation, which could compromise product integrity and safety. Such risks, if unaddressed, could affect customer health and trust, and lead to significant reputational and regulatory consequences.

Policies and Commitments.

AKV is committed to protecting end-users by adhering to the highest food safety standards across every stage of production. We are certified under the Global Food Safety Initiative (GFSI), ensuring alignment with internationally recognized principles for hazard identification and management. Our food safety culture is documented in our guidelines for Food Safety and Quality and embedded in daily operations, supported by clear guidelines, action plans, and robust training programs for employees.

Specific protocols include thorough washing of potatoes to prevent contamination, the use of metal detectors and sieves during production, and careful control of water content to ensure product stability and longevity. These measures, coupled with systematic checks and detailed documentation, minimize risks and maintain the consistency and safety of our products.

Actions and results in 2023/24.

In 2023/24, AKV strengthened its focus on end-user safety by continuous reviews of production processes to ensure compliance with GFSI standards, and training employees involved in food safety to uphold best practices.

To further ensure food safety, we continued using transportation protocols, including secure sealing of products during shipment to prevent contamination. Internal audits and hazard assessments were conducted to refine safety measures, with noncompliance addressed promptly to avoid potential risks. We experienced no recalls from the market in 2023/2024.

Planned Actions for 2024/25.

For 2024/25, we will continue our rigorous focus on food safety ensuring that we adhere to relevant regulations and the principles and actions presented in our guidelines for Food Safety and Quality.

Governance.

As we export 95% of our products to customers across the world, we are aware of the potential risk of indirectly contributing to corruption, bribery or other unethical behavior in countries not reflecting the strict Danish and European legislation.

Policies and Commitments.

We have a zero-tolerance policy toward corruption, bribery, fraud, and money laundering. This is documented in our Anti-corruption policy that provides guidance on how AKV's employees must react when faced with corruption and corrupt behavior, and at the same time sets out guidelines for the work to prevent, report and sanction corruption.

Actions and results in 2023/24.

At AKV, we uphold strict standards of integrity across our supply chain, ensuring all forms of corruption, bribery, fraud, and money laundering are strictly prohibited. Rooted in Danish business values and supported by Danish and European legislation, we rely on robust policies and practices to eliminate unethical behavior.

AKV exclusively works with reputable companies and conducts all payments via bank transactions, eliminating risks associated with cash. We collaborate closely with banking partners and external auditors to monitor and address any suspicious activity. To reduce vulnerability related to potential fraud by employees in key roles, all significant transactions are subject to oversight and approval.

Supplier contracts include signing to code of conduct, and food-related material suppliers must hold GFSI certification or complete compliance questionnaires. Employees in procurement and sales sign anti-corruption clauses, further embedding a culture of accountability and transparency.

In 2023/24, we continued the focus on supplier compliance and internal controls. All suppliers were reviewed and approved in our ERP system, anti-corruption training was carried out and regular audits ensured adherence to ethical standards.

In 2023/24, no instances of fraud or corruption were identified, demonstrating the effectiveness of our measures.

Planned Actions for 2024/25.

In 2024/25, we will formalize anti-corruption training for new employees, enhance supplier approval processes to include workplace conditions, and maintain regular audits and transaction reviews. Through these efforts, we will continue to uphold our commitment to transparency and ethical practices across all operations.

Key performance indicators' list.



AKV has taken inspiration from the relevant ESRS (European Sustainability Reporting Standards) data points in the preparation of our KPI reporting. These data points have been carefully selected based on the material topics identified in our sustainability assessment, ensuring alignment with future reporting requirements and enhancing transparency in our ESG efforts.

Unless otherwise stated the data concerns both AKV AmbA and AKV Sourcing & Supply A/S.

	Unit	2023/24	Target
Energy consumption and mix - ESRS E1-5			
Total energy consumption related to own operations	MWh	66,012	
CO₂ emissions - ESRS E1-6			
Gross Scope 1 greenhouse gas emissions	CO ₂ e	5,192	
Gross location-based Scope 2 greenhouse gas emissions	CO ₂ e	2,627	
Gross market-based Scope 2 greenhouse gas emissions	CO ₂ e	11,031	
Gross Scope 3 greenhouse gas emissions	CO ₂ e	62,193	
- Category 1: Purchased goods and services	CO ₂ e	51,724	
- Category 3: Fuel and energy related activities not included in scope 1 and 2	CO ₂ e	2,522	
- Category 4: Upstream transportation and distribution	CO ₂ e	280	
- Category 6: Business travel	CO ₂ e	425	
- Category 7: Employee commuting	CO ₂ e	195	
- Category 9: Downstream transportation and distribution	CO ₂ e	7,299	
Total GHG emissions	CO ₂ e	70,012	
Total GHG emissions location-based	CO ₂ e	70,012	
Total GHG emissions market-based	CO ₂ e	78,983	
GHG emissions intensity, location-based (total GHG emissions per net revenue)	CO ₂ e/DKK	294	
GHG emissions intensity, market-based (total GHG emissions per net revenue)	CO ₂ e/DKK	332	
Water consumption - ESRS E3-4			
Water consumption	m ³	265,717	
Total water consumption in areas at water risk, including areas of high-water stress	m ³	0	
Total water recycled and reused	m ³	0	



	Unit	2023/24	Target
Characteristics of own employees – ESRS S1-6			
Number of employees	(89 FTE)	109	
Number of permanent employees		94	
Number of temporary employees		6	
Number of employees with non-guaranteed hours		6	
Number of full-time employees		101	
Number of part-time employees		2	
Health and safety metrics – ESRS S1-14			
Percentage of own employees covered by an occupational health and safety management system based on legal requirements and/or recognized attitudes or guidelines	%	100	
Number of fatalities in own workforce due to work-related injuries and occupational diseases		0	
Number of fatalities in own workforce due to work-related injuries		0	
Number of fatalities in own workforce due to work-related poor health		0	
Number of fatalities due to work-related injuries and work-related poor health among other workers operating on company premises		0	
Number of fatalities due to work-related injuries among other workers operating on the company's construction sites		0	
Number of fatalities due to work-related poor health among other workers operating on company premises		0	
Number of recorded work-related accidents in own workforce		5	
Frequency of recordable work-related accidents in own workforce		5,5	
Number of cases of recordable work-related poor health in own workforce		0	
Number of lost days due to work-related injuries and fatalities as a result of workplace accidents, work-related poor health, and fatalities caused by poor health		42	
Diversity metrics – ESRS S1-9			
Gender diversity in total employees (% of women)	%	20	
Gender diversity in management (% of women)	%	21	
Gender diversity in Board of Directors (% of women)	%	0	
Number of employees below 30 years old		16	
Percent employees below 30 years old	%	18	
Number of employees between 30 and 50 years old		32	
Percent employees between 30 and 50 years old	%	35	
Number of employees above 50 years old		41	
Percent employees above 50 years old	%	47	
Training and skills development metrics – ESRS S1-13			
Percentage of employees who participated in recurring career development discussions	%	100	
Average number of training hours per employee		25,3	



Accounting practice.

Calculation approach and assumptions

Energy consumption and mix - ESRS E1-5

Total energy consumption related to own operations

Total electricity and natural gas calculated from invoices from energy suppliers

CO₂ emissions - ESRS E1-6

Gross Scope 1 greenhouse gas emissions	The overall emissions from stationary combustion from the consumption of fuel, natural gas and oil. Emission factors used are from Klimakompasset
Gross location-based Scope 2 greenhouse gas emissions	The overall emissions from the consumption of electricity and district heating. Emission factors used are from Klimakompasset
Gross market-based Scope 2 greenhouse gas emissions	The overall emissions from the consumption of electricity and district heating. Emission factors used are from Klimakompasset
Gross Scope 3 greenhouse gas emissions	Total scope 3 emissions from the categories presented
- Category 1: Purchased goods and services	The scope 3 calculations are using the spend-based method that calculates GHG emissions and takes the financial value of purchased goods or services and uses the relevant emission factor. The scope 3 emissions for potatoes are based on an average of supplier-specific data. Other emission factors used are from Klimakompasset
- Category 3: Fuel and energy related activities not included in scope 1 and 2	Calculated from the scope 1 and 2 emissions. Emission factors used are from Klimakompasset
- Category 6: Business travel	Information from travel agency
- Category 7: Employee commuting	Used the ZIP-code from each employee and from the ZIP code calculated km to factory - excel sheet called "postnummer"
- Category 9: Downstream transportation and distribution	Supplier-specific emissions are used based on the calculations and emission factors used by the suppliers
Total GHG emissions	
Total GHG emissions location-based	The overall emissions from scope 1, 2 and 3 are calculated using the location-based approach for scope 2
Total GHG emissions market-based	The overall emissions from scope 1, 2 and 3 are calculated using the market-based approach for scope 2
GHG emissions intensity, location-based (total GHG emissions per net revenue)	The overall emissions from scope 1, 2 and 3 are calculated using the location-based approach for scope 2 divided by mio. DKK in revenue
GHG emissions intensity, market-based (total GHG emissions per net revenue)	The overall emissions from scope 1, 2 and 3 are calculated using the market-based approach for scope 2 divided by mio. DKK in revenue



Accounting practice.

Calculation approach and assumptions

Water consumption – ESRS E3-4

Water consumption	Water usage from own weld to all productions. Measure monthly basis calculated from “energiforbrug” and “kampagnerapport massebalance”
Total water consumption in areas at water risk, including areas of high-water stress	Based on WWF Water Risk Filter
Total water recycled and reused	In the near future it is evaluated if it is possible to reuse water in production

Characteristics of own employees – ESRS S1-6

Number of employees	Number of employees at end of financial year
Number of permanent employees	Permanent are employed all year Paid by hour are workers who have an agreement between GLS-A (3F) and AKV AmbA. Functionaries are paid monthly
Number of temporary employees	Based on contract for the campaign
Number of employees with non-guaranteed hours	Employees with whom we have an agreement that are called when needed as help for cleaning etc. when we have holidays
Number of full-time employees	Follows the definition in the financial report
Number of part-time employees	Employees with permanent contracts but who only works part-time

Health and safety metrics – ESRS S1-14

Percentage of own employees covered by an occupational health and safety management system based on legal requirements and/or recognized attitudes or guidelines	Health safety management is described in our ISO System. Safety described for each department. Two meetings annually, including APV according to Danish regulations
Number of fatalities in own workforce due to work-related injuries and occupational diseases	Defined if employee dies due to work-related injuries
Number of fatalities in own workforce due to work-related injuries	Defined if employee dies due to work-related injuries
Number of fatalities in own workforce due to work-related poor health	Defined if employee dies due to work-related injuries
Number of fatalities due to work-related injuries and work-related poor health among other workers operating on company premises	Defined if employee dies due to work-related injuries



Calculation approach and assumptions

Number of fatalities due to work-related injuries among other workers operating on the company's construction sites	Defined if employee dies due to work-related injuries
Number of fatalities due to work-related poor health among other workers operating on company premises	Defined if employee dies due to work-related injuries
Number of recorded work-related accidents in own workforce	Work-related accidents are accidents which are reported in EASY - the Danish Authorities' system
Frequency of recordable work-related accidents in own workforce	In computing the rate of work-related injuries, the undertaking shall divide the respective number of cases by the number of total hours worked by people in its own workforce and multiplied by 200,000. Thereby, these rates represent the number of respective cases per 200,000 hours worked
Number of cases of recordable work-related poor health in own workforce	Lost days due to poor health, which are reported in EASY - the Danish Authorities' system
Number of lost days due to work-related injuries and fatalities as a result of workplace accidents, work-related poor health, and fatalities caused by poor health	This is reported in EASY - the Danish Authorities' system

Diversity metrics – ESRS S1-9

Gender diversity in total employees	Presented as % of women based on employees at year-end and personal identification number
Gender diversity in management	Presented as % of women based on management members at year-end and personal identification number
Gender diversity in Board of Directors	Presented as % of women based on Board of Directors members at year-end and personal identification number
Number of employees below 30 years old	Based on number of employees at year-end (FTE)
Percent employees below 30 years old	Based on number of employees at year-end
Number of employees between 30 and 50 years old	Based on number of employees at year-end (FTE)
Percent employees between 30 and 50 years old	Based on number of employees at year-end
Number of employees above 50 years old	Based on number of employees at year-end (FTE)
Percent employees above 50 years old	Based on number of employees at year-end

Training and skills development metrics – ESRS S1-13

Percentage of employees who participated in recurring career development discussions	Based on number of employees at year-end. Career development discussions are defined as MUSsamtaler (employee development dialogue)
Average number of training hours per employee	Number of training hours divided by FTE. Day courses are 7 hours, while half day courses are 4 hours



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