

SUSTAINABILITY REPORT

2024/2025



LETTER FROM THE CEO

This past year has marked another exciting chapter in the journey of Vestergaard Company. Our expanded production facilities, new warehouse, and new offices at our headquarters in Gevninge are now fully completed and operational. This expansion has significantly strengthened our ability to meet growing demand while also bringing key administrative functions closer to our production—enhancing coordination and daily collaboration across the organization.

In our international operations, we have also seen substantial developments. In Thailand, we have relocated to new, modern production facilities that are not only significantly larger, but also designed to support future growth. The new facilities have significantly increased our production capacity, allowing us not only to meet growing demand more effectively, but also to support Kalmar Motor with the production of selected units—ultimately benefiting our customers across markets. We have also seen important leadership transitions in both North America and France, two strategically vital regions that continue to play a key role in the company’s ongoing development.

Our growth is also reflected in the size of our team. We are now more employees than ever before in the company’s history. Integrating a record number of new colleagues has been a major focus area, and we remain committed to ensuring that everyone becomes part of our strong work culture—characterized by collaboration, high quality, and mutual respect.

On the product side, we continue to drive innovation with a clear focus on electrification and autonomous operations. These developments are not only reshaping ground support equipment—they are actively enhancing safety and efficiency. Although developments in the industry have meant that we have not fully reached the targets set in our 2025 Growing Green strategy, we continue to advance our electric product portfolio. We are committed to being fully ready—with a strong and reliable range of electric solutions—when our customers are ready to make the transition.

Our autonomous Optim-Ice project is progressing well. Field tests with customers have yielded encouraging results, showing more consistent deicing performance and clear potential for increased safety—even with highly experienced operators. We are excited to develop this technology even further. We would like to extend our sincere thanks to the customers who have participated in testing the new technology—your involvement and feedback are invaluable. We couldn’t do it without you.

Despite delivering a record turnover in the past year, we acknowledge that the global geopolitical climate continues to introduce elements of uncertainty. At Vestergaard Company, we monitor these developments closely and remain focused on long-term stability, innovation, and resilience.

I would like to extend my heartfelt thanks to our customers, partners, and employees. Your continued trust and dedication are the foundation of our progress. Together, we will continue to build a more sustainable and forward-looking future for ground handling.



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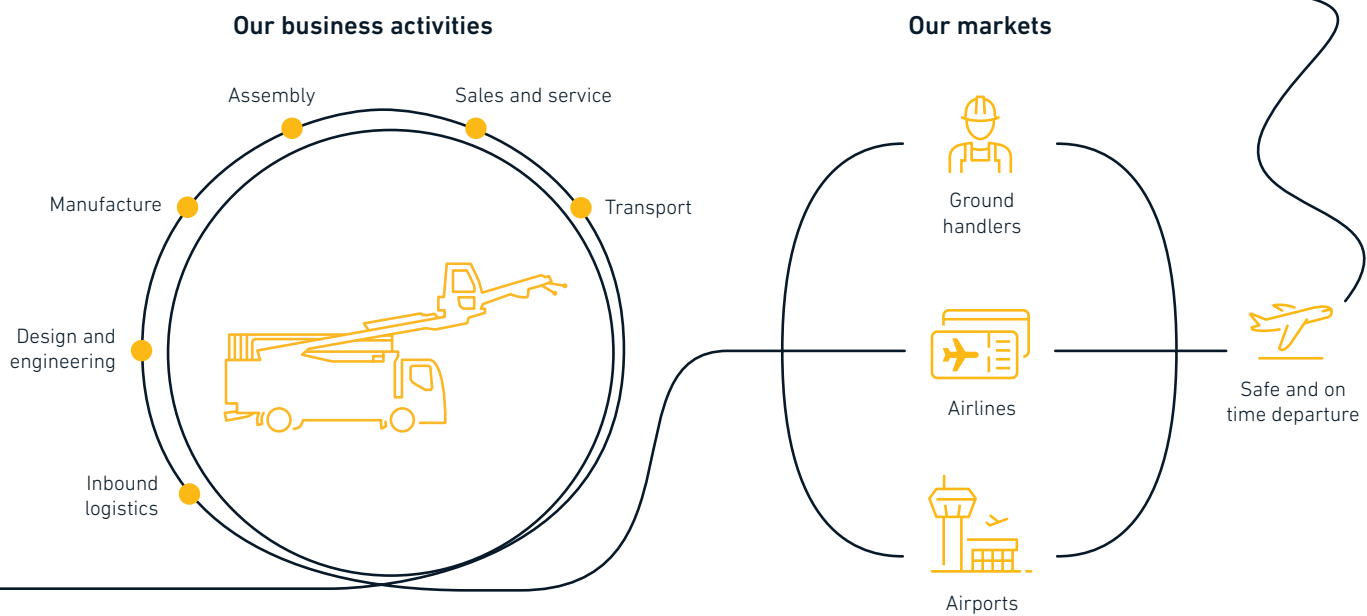
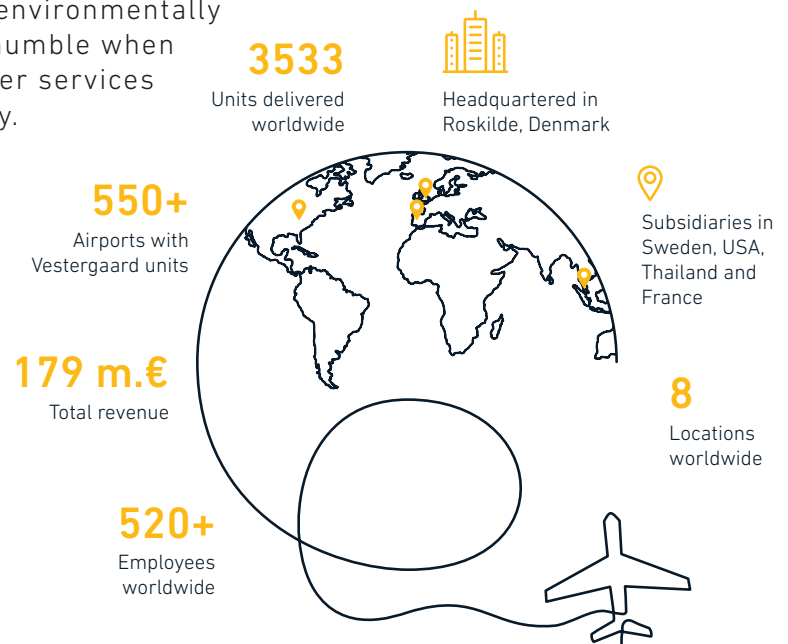
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PROFILE

Vestergaard Company is a leading supplier of ground handling equipment. The company manufactures, supplies and services equipment for the aviation industry worldwide. Today, our product focus is on aircraft deicers, toilet and water servicing units and aircraft washer units. The product line focuses on quality, functionality and durability, and we give high priority to new leading-edge technology to provide our customers with state-of-the-art equipment.

Being a family-owned company, considering the next generation is embedded in our DNA. Therefore, we must have an environmentally friendly approach and be receptive and humble when collaborating with our customers. We offer services and products of a high and lasting quality.

Godtfred Vestergaard founded Vestergaard Company 62 years ago, and his values and principles are still a core part of the culture and our company.



VESTERGAARD COMPANY’S APPROACH TO SUSTAINABILITY

WE SUPPORT THE UN SUSTAINABLE DEVELOPMENT GOALS

The UN sustainable development goals are part of a collective plan of action for people, planet and prosperity. We believe that these goals may be a catalyst for furthering a sustainable development of the industry.

We have chosen to work with the four sustainable development goals where we believe that we can make the greatest difference; no. 4, 8, 9 and 12. The goals are interdependent, and with our efforts regarding these four areas, we will likely also be able to influence more of the 17 total goals.



Scan the QR code if you want to read more about our work with the UN sustainable development goals

4 QUALITY EDUCATION

We prioritize regularly educating and providing further training for our employees on sustainable development of our products among other things.

8 DECENT WORK AND ECONOMIC GROWTH

We are focusing on supporting a good and safe work environment both for our customers and for our own employees.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Developing our products innovatively and sustainably, and consequently the aviation industry, is one of our core tasks.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We strive to develop our production and consumption in the most sustainable direction possible.

SUSTAINABLE FOCUS

Vestergaard Company's work with sustainability is divided into four areas of focus, all connected by our slogan "WE CARE", and these form the structure of this report:



We care about our customers and about helping them toward a more sustainable future. We care about contributing to a sustainable development internally in the company and in our value chain. At the same time, we wish to play a role in the global sustainable development that the UN sustainable development goals aim toward.

The areas of focus have been presented to the entire organization and comprise the overarching framework for working with sustainability. The areas are directed toward both our employees and stakeholders, business partners and subcontractors who hereby can find information about our purpose and strategy for sustainability.

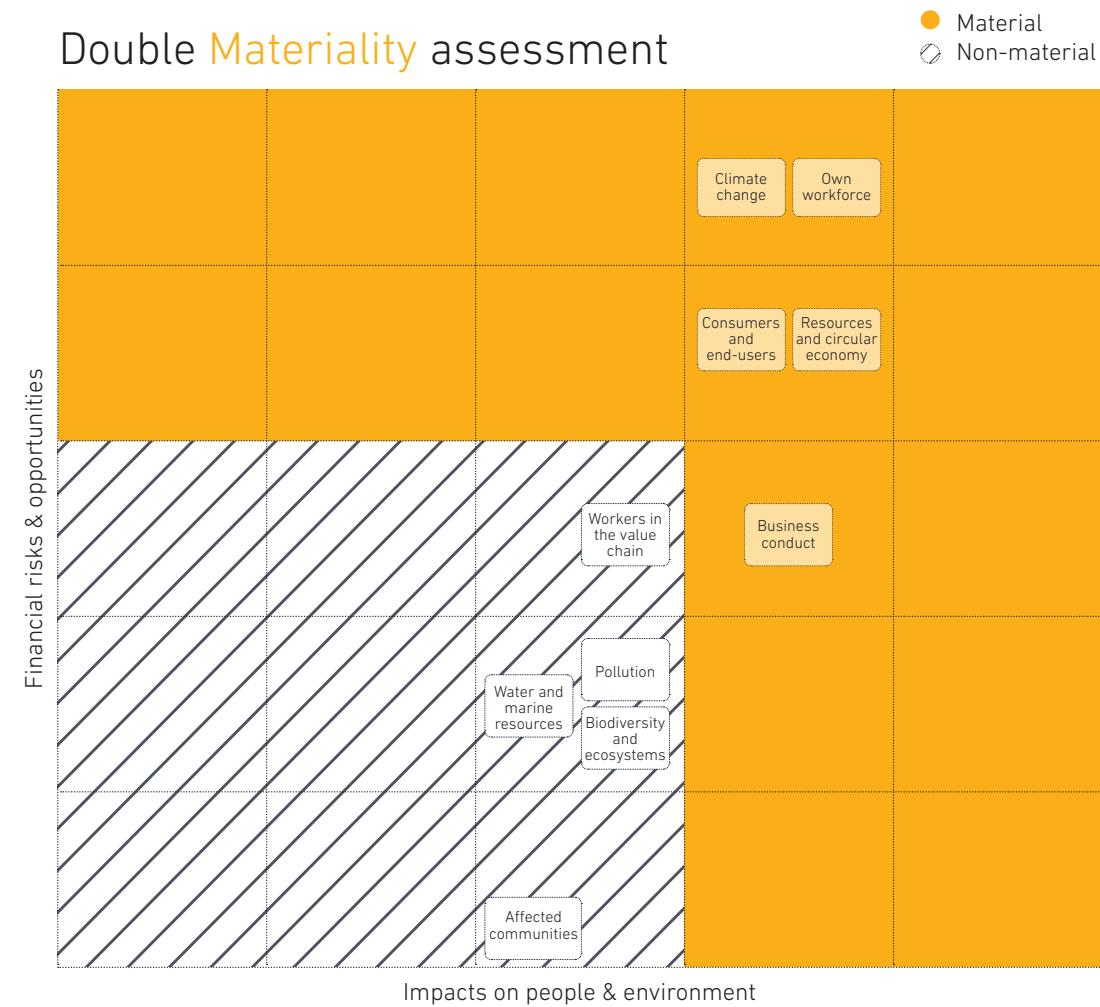
The responsibility for Vestergaard Company's work with sustainability and its implementation lies with the board of directors. We have a sustainability steering committee which prepares recommendations for the board of directors. This group is led by the company's CEO. The board of directors is responsible for a result-oriented implementation of the sustainable objectives presented through the report.



DOUBLE MATERIALITY

Although it now appears that Vestergaard Company – like many other European companies – will no longer be subject to the reporting requirements of the EU Corporate Sustainability Reporting Directive (CSRD) as of the 2025/26 financial year, this does not mean that we intend to scale back our efforts or transparency within sustainability. On the contrary. We see this as an opportunity to refine and strengthen our reporting, with a focus on the areas most relevant to our business and stakeholders.

Our double materiality assessment therefore remains a key part of our sustainability work. The assessment covers both our own operations and our value chain and addresses two dimensions: our impact on people and the environment (impact materiality), and the impact of sustainability matters on our business (financial materiality). It includes the sustainability topics most relevant to Vestergaard Company, corresponding to the ten categories listed in the CSRD.



The result of the assessment shows that five topics are relevant to us and our shareholders.

CLIMATE CHANGE (E1)

Climate change is one of the most urgent challenges we are faced with as a society. We acknowledge our role in needing to reduce our CO2 footprint and we are actively working on minimizing our emissions and adapting to the inevitable changes that are already well underway. Our work is, among other things, driven by our goal to reduce scope 1 emissions by 70 % in 2025, as is described in the section “Sustainable production”.

OWN WORKFORCE (S1)

Our employees are the backbone of our company, and we are committed to ensuring their well-being and development. We invest in education, health and safety to create an inclusive work environment where everyone can thrive and contribute to our joint success. Read more about this topic in “Sustainable workplace”.

RESOURCES AND CIRCULAR ECONOMY (E5)

We have identified circular economy as being crucial to our long-term sustainability strategy. By virtue of our product type, we have a large consumption of resources – especially metals – and we wish to reduce the effect of this consumption by optimizing our product design and examining the possibilities of switching to more sustainable materials. We have a high degree of recycling of waste from our production and wish to expand this focus in the remainder of our value chain. Read more about our work on circular economy in the section “Sustainable products”.

CONSUMERS AND END USERS (S4)

Our equipment operates in high-risk environments, and it is consequently crucial that we focus on delivering products and information material and offering training and education that supports a good and safe work environment for our customers. Read more about this work and our goal of zero accidents in 2030 in the section “Sustainable products”.

BUSINESS CONDUCT (G1)

Our company is based on ethical and responsible business behavior. We prioritize integrity and transparency to maintain trust and credibility with our stakeholders. We have a strong company culture, which is of great importance to our employees’ well-being and work satisfaction, and we are focusing greatly on maintaining this culture while the company grows and develops.

We are already actively working with these important aspects of sustainability in our operations and decision-making processes to create a positive impact on both society and the environment, while addressing the financial risks and opportunities faced by the company.

We remain committed to continuous improvement and invite our stakeholders to take an active part in our journey toward a more sustainable future.

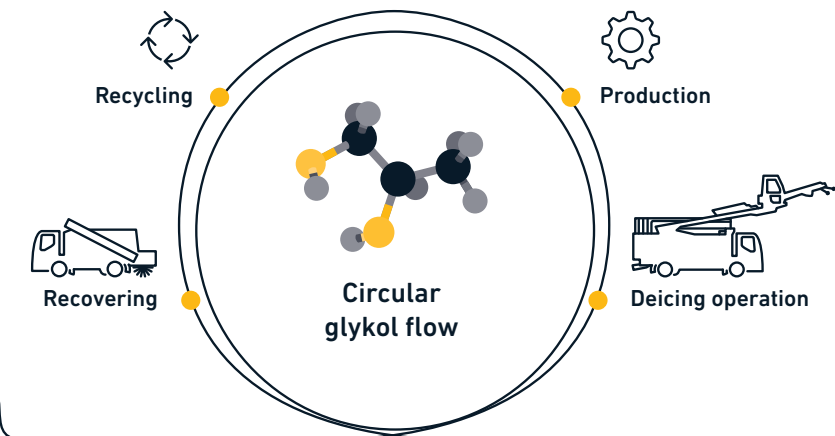
SUSTAINABLE PRODUCTS

"The goal of our sustainable products is that they should be easy and safe to use and economically interesting while protecting the environment"

~Lars Barsøe, VP Sales and Marketing



Scan the QR-code if you want to read more about OPTIM-ICE



Objectives

- Fully electrical product portfolio
- Semiautomatic deicing operation
- Mapping and reducing CO₂-emissions in the value chain (scope 3)
- Promoting a circular perspective on glycol consumption

Vestergaard Company's work on developing sustainable products consists of several areas of focus: materials and purchasing, product design, and product operation at the customer.

The road to sustainable purchasing

Over the past year, we have developed a sustainability assessment tool to screen our suppliers based on various ESG parameters relevant to Vestergaard Company. We have completed the first round of screenings and plan to expand the process to include the rest of our key suppliers. In the long term, this tool will help us reduce negative impacts across our value chain.

Circular Glycol Consumption

The deicing fluid used in our equipment consists of water and glycol, the production and degradation of which release significant amounts of CO₂ – approximately 600 kg per deicing operation, equivalent to six return flights between Copenhagen and Berlin¹. To reduce this carbon footprint, Vestergaard Company is working to make glycol consumption more circular. Our Glycol Recovery Vehicle (GRV) efficiently collects glycol after use, and a new system installed in our vehicles now allows for on-site mixing of certified deicing fluid. We are also seeking a collaboration partner to establish a closed circuit of deicing fluid at airports, which would significantly reduce both CO₂ emissions and the cost of new fluid. However, implementing such a solution depends on changes to industry standards – a process that takes time due to the sector's strong safety focus.

Efficient and Safe Deicing with OPTIM-ICE

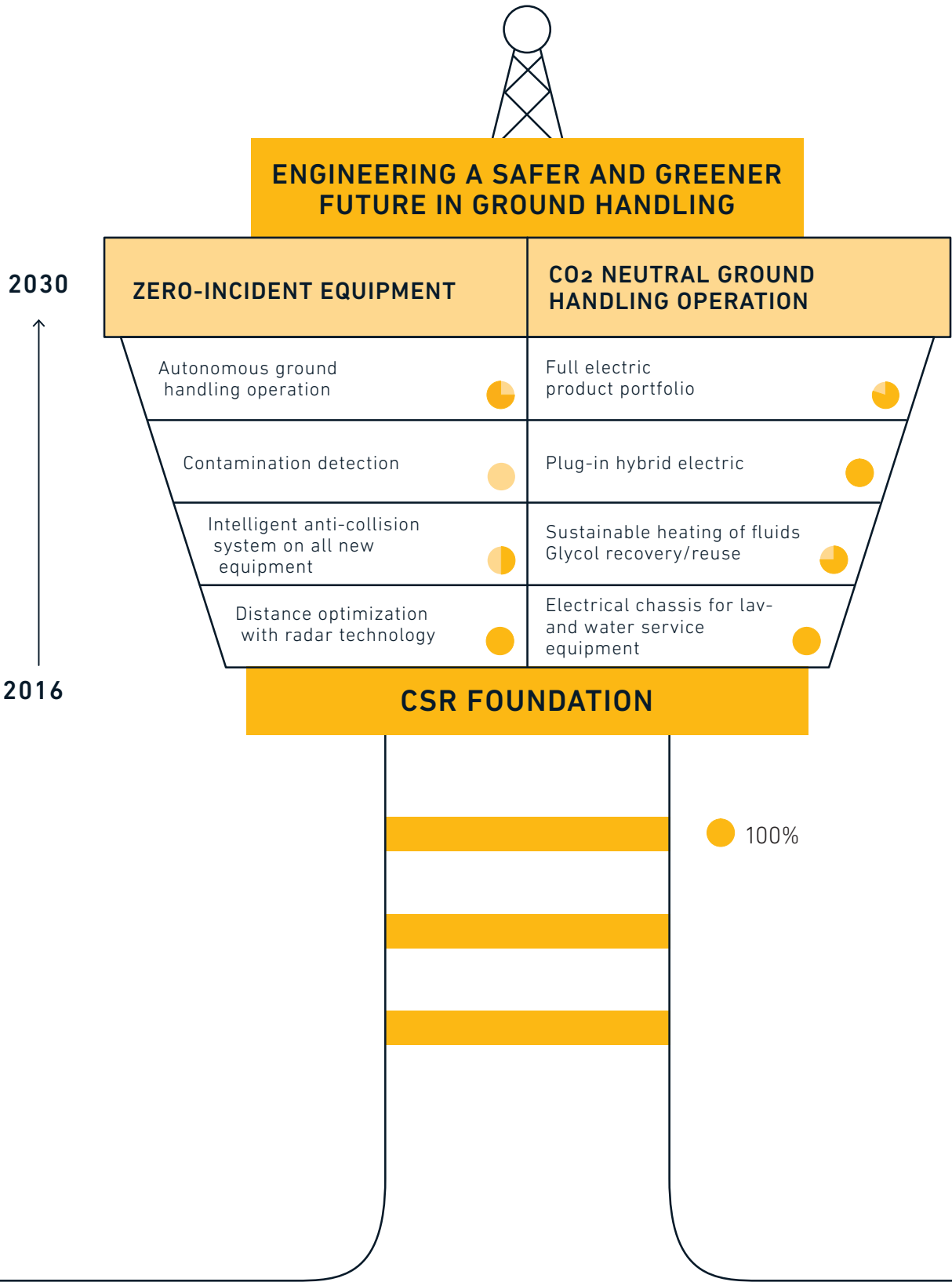
Vestergaard Company's deicing equipment is recognized across the industry as the most efficient – both in terms of time and glycol usage. These areas are central to our sustainability efforts, and we continuously seek to optimize them further.

As part of this work, we have developed OPTIM-ICE, a semi-automated deicing system designed to ensure both safe and efficient operations. The system reduces the training needs for new operators while supporting more consistent and precise deicing procedures.

One of OPTIM-ICE's key environmental benefits is its potential to reduce glycol consumption, especially when operated by less experienced personnel. The system helps maintain the correct spray angle and distance from aircraft wings, minimizing waste and ensuring more efficient application of the fluid. These improvements support our aim of reducing the environmental impact of deicing activities and promoting more responsible resource use in airport operations.

¹) SAS CO₂-calculator

ROADMAP



Zero-Accident Equipment

Safety is – and will always be – the top priority in the aviation industry. Our equipment operates in close proximity to aircraft and apron personnel, where even minor incidents can have serious consequences. Tragically, accidents still occur on aprons around the world, where workers lose their lives. This is a reality we, as a provider of ground support equipment, not only acknowledge but actively seek to change.

Our ambition is bold but clear: by 2030, Vestergaard equipment must no longer be involved in any type of accident or unintended incident. This vision drives our investments in advanced safety systems and autonomous features.

The development of OPTIM-ICE marks an important milestone in this journey. The system is designed to ensure that contact with the aircraft surface is physically impossible during operation, significantly reducing the risk of damage.

Our next steps include implementing anti-collision systems for vehicle movement and developing a system for detecting ice and snow accumulation on aircraft surfaces. We are currently investing significant resources in R&D and testing to set new safety standards in airport ground operations.

CO₂-Neutral Ground Handling

The global climate challenge is undeniable, and airports around the world are working with dedicated climate strategies and concrete reduction targets to become more sustainable and CO₂-neutral. This transformation demands major investments in renewable energy, new infrastructure, innovative technologies – and, importantly, more sustainable equipment on the ground and in the air.

At Vestergaard Company, we want to be an active part of the solution. Our ambition is that by 2030, all of our equipment will be available in electric or hybrid-electric versions, allowing our customers to significantly reduce their carbon footprint in ground handling operations.

We are already well underway. In recent years, we have continuously launched electric and hybrid versions of our trusted equipment. 2024 was no exception – this year, we introduced a new 20-ton electric chassis, which now forms the basis for our e-MY Lite. With this addition, we have taken another important step toward a fully sustainable product portfolio.

We are committed to completing the electrification of our full product line, including our BETA deicer, which will soon be available in a fully electric version.



CSR TIMELINE

CSR ARRIVALS		
DESTINATION	ACTIVITY	TIME
CO2	ITM	2016
SAFETY	360 DEG CAMERA	2017
SAFETY	TURNTABLE CABIN	2018
SAFETY	RADAR SENSORS	2019
CO2	ELECTRICAL CHASSIS	2019
CO2	ELECTRIC WATER SERVICE	2019
CO2	ELECTRIC TOILET SERVICE	2019
CO2	GLYCOL RECOVERY VEHICLE	2019
CO2	HYBRID ELECTRIC BETA	2019
CO2	TOWABLE ELECTRICAL UNIT	2020
CO2	E-MINI MY LITE	2022
CO2	SUSTAINABLE HEATING	2023
CO2	E-MY LITE	2024
SAFETY	ASSISTED DEICING	2024
CO2	DOUBLE PROPORTIONAL MIXING	2025

CSR DEPARTURES		
DESTINATION	ACTIVITY	TIME
CO2	E-BETA	TBA
SAFETY	FULLY AUTOMATIC DEICING	TBA
CO2	E-GRV	TBA
SAFETY	APPROACH CONTROL FROM BASKET	TBA
CO2	TBA	TBA
SAFETY	TBA	TBA
CO2	TBA	TBA
SAFETY	TBA	TBA

Sustainability work is far from new to Vestergaard Company. For many years, we have been working on initiatives to reduce the environmental impact and increase the safety level of our vehicles. We introduced our first initiative back in 1988, which – besides saving the environment from unnecessary fluid – saved customers a lot of money. At the same time, safety has been significantly improved by employing a wide range of initiatives.

From 1988 to 2024, we have implemented the following measures, and more are in the pipeline:

- ITM (In-Truck Manufacturing) system capable of adding additives to the fluid directly in the vehicle, thus reducing the transport of type-1 fluid
- 360-degree camera, improving safety and assisting the operator when the vehicle is operated from the operator’s cabin
- Turnable cabin: A system by which the operator’s cabin can be turned to position the operator in the direction of travel when moving the vehicle over long distances
- Radar sensors: Radar sensors replacing the antennas at the nozzle of the BETA deicer
- Electric chassis, developed by Vestergaard, that can be used for several of our products
- Glycol Recovery Vehicle (GRV): For an efficient collection of used deicing fluid. The collected fluid can be safely and efficiently disposed of or, where the airport has the equipment to do so, be cleaned and reused
- Hybrid electric BETA deicer, which can operate using a minimum of conventional fuel
- Towable electric unit for water and toilet service
- e-Mini MY Lite: A new, fully electric version of our Mini MY Lite deicer
- Sustainable heating - solution for sustainable heating of fluid
- e-MY Lite: A fully electric version of our MY Lite deicer
- Assisted deicing - controlled by radar and camera
- Double proportional mixing
- e-BETA: A fully electric version of our well-known BETA deicer
- Fully automatic deicing/camera controlled deicing
- e-GRV: A fully electric version of our GRV
- Approach control from basket



CASE: AEROMAG RECYCLING FACILITY IN SYRACUSE, NY – ADVANCING SUSTAINABLE **SUSTAINABLE** DEICING

In November 2023, Aeromag – a long-standing customer of Vestergaard Company and a recognized leader in aircraft deicing and environmental innovation – inaugurated a state-of-the-art glycol recycling facility at Syracuse Hancock International Airport (SYR). Developed in collaboration with the Syracuse Regional Airport Authority (SRAA), the facility marks a significant milestone in the pursuit of circular economy solutions within airport operations.

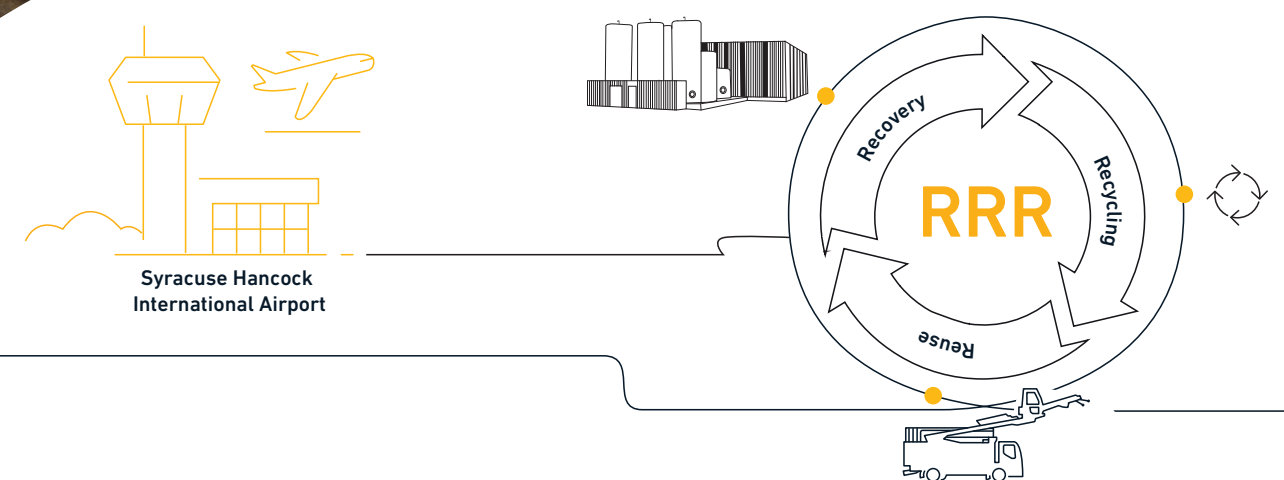
From Recovery to Reuse: The RRR Concept

The new facility is built around Aeromag’s “RRR concept” – Recovery, Recycling, and Reuse – an innovative closed-loop system that transforms spent aircraft deicing fluid into a reusable product. By capturing and refining the glycol used during deicing operations, the process reduces both raw material consumption and environmental impact. The system is expected to save between 3,000 and 6,000 tons of CO₂ annually and up to 25 million liters of water.

Complementary Technologies: Vestergaard’s Role

Although the Syracuse facility itself does not currently utilize Vestergaard equipment, Aeromag’s broader sustainability strategy includes the use of Vestergaard’s Glycol Recovery Vehicle (GRV), which enables efficient on-ground collection of spent deicing fluid. The GRV supports clean apron operations and facilitates recovery efforts at airports where Aeromag operates.

In addition, Aeromag has made a significant investment in Vestergaard’s electrically powered Elephant® e-BETA deicers. The e-BETA enables high-performance deicing powered entirely by electricity during operation, supporting Aeromag’s ambition to reduce emissions on the apron.



Even though SYR is a relatively small airport with approximately 100 daily flights, it is experiencing steady growth and currently operates four Vestergaard BETA deicers, including one e-BETA – underscoring the airport’s commitment to modern, low-emission ground operations.

Wider Impact and Industry Recognition

With an investment exceeding USD \$19 million, the facility is designed to serve not only SYR but potentially other regional airports as well. Its modular setup enables scalable implementation, while the environmental and economic benefits are already measurable. The system is expected to save nearly \$200,000 annually in operational costs and prevent approximately 3,300 tons of CO₂ from entering the atmosphere.

This pioneering effort has been widely recognized, earning “Project of the Year” by Airport Business and the ACEC New York Diamond Award 2025 in the Waste and Stormwater category. It stands as the first of its kind in the United States and sets a new benchmark for sustainable deicing infrastructure.

A Shared Vision for Greener Aviation

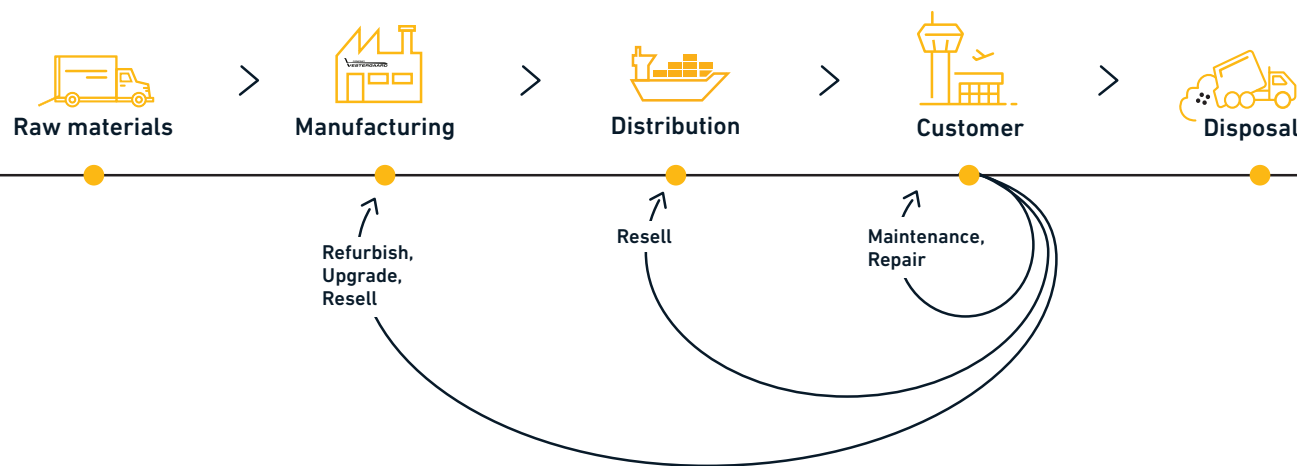
The collaboration between Aeromag and Vestergaard Company illustrates how technological innovation, and environmental responsibility can go hand in hand. Through joint efforts across multiple sites and technologies, the two companies are helping shape a more sustainable future for aviation — one that prioritizes both operational efficiency and climate-conscious solutions.



RECYCLING AND CIRCULAR ECONOMY

Vestergaard Company's products are known for their impressive durability and long service life. Usage data and experience show up to 30 years of continuous use. The long service life reduces the need for frequent replacement, thereby also the need to produce new units, saving resources and minimizing waste.

At the market's larger operators, Vestergaard Company's equipment will typically be replaced after 10-12 years of operation. This is often not caused by the condition of the equipment but by the operator's wish to have an updated and homogenous fleet with the latest technology. Rather than scrapping the equipment when it is replaced, it will typically get a new life through resale. Some units can be resold directly without being changed, but we often contribute with an upgrade of the equipment so it can be adapted to the new operators' needs. This "second life" concept prolongs the service life of the equipment considerably and ensures that it can continue to operate efficiently for many years, thereby contributing actively to the circular economy.



A concrete example of this practice can be illustrated with an older Elephant® GAMMA deicer, which was in use for an impressive 28 years before it received a second life in a Norwegian airport, where it has been in use for four additional years so far. Similarly, an Elephant® BETA was reused after serving 13 years in Munich and was put into operation in Memmingen. These examples illustrate how our products frequently go through several life cycles, which reduces the total environmental impact.

Economic advantages are also a result of the possibility of upgrading the products and, hereby, a second life. The products' high resale value when reselling after the first period of use makes them attractive to both first- and second-time buyers. The customers know that investments in our equipment are long-term and economically responsible, which further strengthens the incentive to choose high-quality equipment at the beginning. This not only creates economic value but also furthers a more sustainable economy by reducing the total costs and environmental impact of disposal and production of new equipment.

Vestergaard Company's approach to recycling and circular economy represents a model for how companies can implement sustainable practices that benefit both the environment and create economic value. Through long-lasting quality products and a strong strategy for recycling and upgrading, we show how we can contribute with more sustainable solutions in the industry.



CASE: AIRPRO IS ENHANCING SUSTAINABILITY THROUGH DOUBLE-MIX INTEGRATION ON E-BETAS

Driving Innovation for a Greener Future

In line with its unwavering commitment to sustainability and innovation, Airpro has taken a significant step toward greener operations by installing double-mix systems on its fleet of Elephant® e-BETAs used at Helsinki Airport. This strategic decision was fueled by the goal of reducing both environmental impact and operational costs while maintaining high-performance standards in winter operations.

Background: From Single-Mix to Double-Mix

Traditionally, Airpro's e-BETAs operated with proportional mixing on their Type I fluid and 100% on their Type IV fluid. Recognizing that under many weather conditions, it is possible to use a lower mixture of Type IV anti-icing, Airpro opted to upgrade to double-mix technology. This transition enables blending of Type IV fluid tailored to real-time operational needs, significantly optimizing fluid use.

Sustainability Goals and Motivations

Airpro's decision to implement double-mix systems was closely aligned with its overarching sustainability strategy, which prioritizes carbon footprint reduction and responsible resource management. The double-mix system ensures a more efficient and targeted application of de-icing fluids, resulting in:

- Lower fluid consumption, reducing both environmental impact and the volume of waste.
- Decreased greenhouse gas emissions, due to reduced fluid usage and minimized operational strain.
- Operational cost savings, supporting both economic and environmental objectives.

Implementation with Vestergaard Company

The successful execution of this project was made possible through close collaboration with Vestergaard Company, who provided technical support, and the expertise needed for the upgrade. The first e-BETA unit was brought to Vestergaard's facility, where it underwent rigorous testing and fine-tuning to ensure optimal performance and compatibility with double-mix technology. This hands-on, collaborative process ensured a seamless integration, laying the groundwork for scaling the solution across the fleet.

Results and Impact

The introduction of the double-mix systems has yielded measurable and meaningful outcomes:

- **Reduced Fluid Consumption:** Using lower percentage fluid led to significant savings in de-icing fluid usage per operation.
- **Lower Emissions:** As per above, lower usage of neat deicing fluid reduces the need for manufacturing the fluid.
- **Cost Efficiency:** Lower fluid usage also brought substantial cost reductions, proving that sustainable solutions can be economically beneficial.

SUSTAINABLE OPERATIONS

"We consider sustainable initiatives in our own operations as a crucial part of our efforts toward ground handling work with less environmental impact"

~Stefan Vestergaard, Managing director



Scan the QR code, if you want to read more about our work on carbon accounting

Objective

70% reduction in direct CO₂-emissions (scope 1) in 2025/26

Vestergaard Company's activities affect the environment and the climate through the company's daily operations. We work continuously to reduce this impact by lowering our energy consumption, phasing out fossil fuels in favour of renewable energy sources, minimising water use, reducing the volume of waste, and increasing recycling rates.

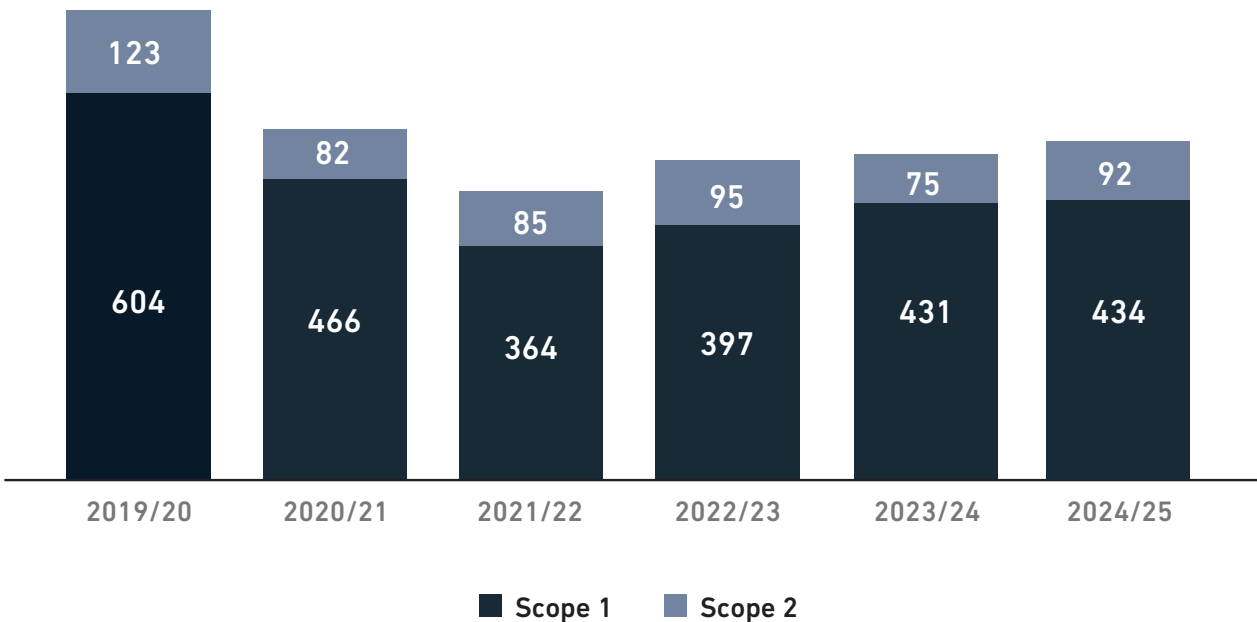
Reducing CO₂ emissions in production

Our ambition is to reduce our scope 1 emissions by 70% by 2025/26 compared to our baseline year 2019/20. As of now, we have achieved a reduction of approximately 28%. This marks a slight setback compared to last year – despite the near-complete phase-out of natural gas consumption. The increase in scope 1 emissions is due to increased production activity and, as a result, a higher use of diesel for testing our deicers. We are maintaining a strong focus on minimising diesel usage and have continuously worked to optimise our test phase. In the latest financial year, we introduced systematic registration of diesel refuelling, which now forms the basis for ongoing analysis and new reduction initiatives.

Our scope 2 emissions have also increased. This is a result of higher electricity consumption caused by the transition from natural gas to geothermal heating and heat pumps – a shift we consider both positive and future-oriented.

We aim to expand our solar panel installation, with the ambition to cover 25–30% of our total electricity consumption (compared to 12% in the latest fiscal year). To further strengthen our use of renewable energy, we have signed a Power Purchase Agreement (PPA) with the energy company Reel. The agreement ensures that from 2026 onwards, we will contribute directly to the construction of new wind turbines and receive green electricity from that specific source.

Scope 1 og 2 [ton CO₂e]



Phasing out Fossil Fuels

Our ambition is to eliminate the use of natural gas and heating oil by replacing conventional heating systems with more sustainable energy sources. This year, we reached an important milestone: the last natural gas boiler at our production facility was shut down, and the gas supply to the site was permanently disconnected. This represents a significant step in our transition toward more sustainable production. Today, the majority of our buildings are heated using geothermal energy, heat pumps, and surplus heat from process water, with only a few exceptions detailed below. The photo on the right shows our four newest heat pumps.

At the end of 2023, we acquired a nearby facility in the Gevninge area, which is currently heated with natural gas. We are now exploring options for phasing out the gas boiler and replacing it with a more sustainable alternative.

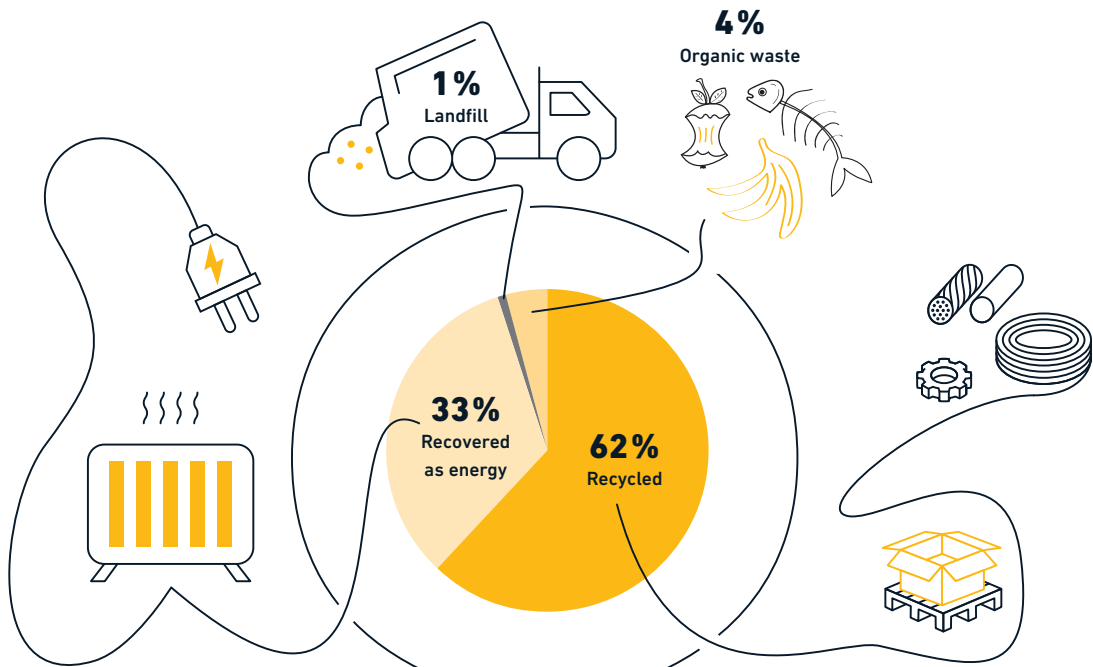
We are also working to replace the oil boiler at our painting facility in Kornerup. The main challenge here is the high energy demand required to heat the paint booth, which currently cannot be met by geothermal energy or heat pumps alone. We are therefore evaluating the possibility of switching to a system that runs on HVO diesel – a bio-based fuel with a significantly lower CO₂ footprint compared to traditional heating oil.

Reutilization of Process Water

Since 2019/20, we have reduced our water consumption by 25% through the reuse of process water and the collection of rainwater. However, we have continued to face technical challenges with the recycling system, which has delayed our progress toward the target of a 60% reduction. We expect to meet this goal by 2025/26.

Waste Management

In 2024/25, we achieved a total waste recovery rate of 99% - an improvement from 97% the previous year. The recovery rate includes 62% recycling, 33% energy recovery and 4% biowaste.



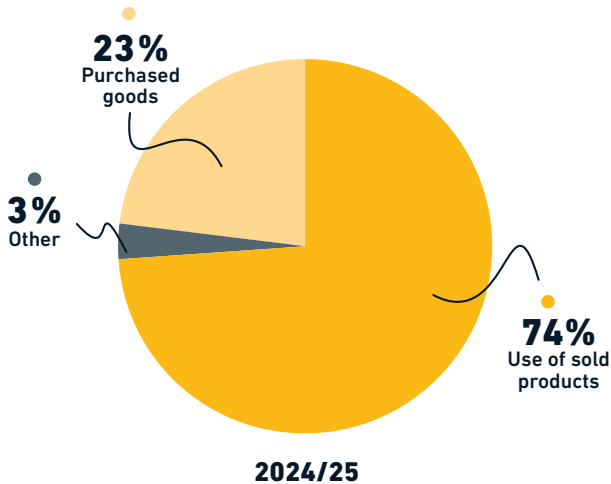
Carbon Accounting for the Entire Value Chain

This is the second year we are presenting our carbon accounting for the entire value chain (also known as scope 3), which represents more than 99% of our total CO₂ emissions. Over the past year, we have worked on improving the data foundation so that an increasing share of the data now comes directly from the source. We are far from finished, but over the coming years, we will continue to work toward developing even more robust and reliable carbon accountings.

The largest share of our scope 3 emissions stems from the use of diesel and electricity in operating our products at the customer’s site. For many years, we have focused on optimizing energy efficiency and electrifying our products, which now consume significantly less diesel than before. Continuing this effort remains a top priority at Vestergaard Company.

The second-largest category is the purchasing of products and materials, particularly steel. Over the past year, we have initiated a collaboration with the Technical University of Denmark (DTU) to develop life cycle analyses and launched a project with the Danish Technological Institute focused on sustainable service concepts – both with the aim of reducing the negative impact in our value chain.

The remaining minor categories, which together account for only 3%, have been grouped into one. Still, they remain important, as they contain potential low-hanging fruits for further reductions in our climate impact. We have already initiated actions in some of these areas and plan to set targets and initiatives across all relevant categories in the coming years.



Collaboration with Future Engineers from DTU

In the autumn of 2024, we collaborated with a group of master’s students enrolled in a life cycle assessment (LCA) course at the Technical University of Denmark (DTU). The student group conducted a comparative life cycle assessment of our diesel-powered BETA unit and our hybrid-electric e-BETA. The analysis compared the total environmental impact of the two products throughout their entire life cycles. Although the LCA has not been third-party verified, the results support our hypothesis: while the e-BETA has a greater environmental impact during production (due to the battery), this is quickly offset by the significantly reduced diesel consumption during the use phase compared to the diesel-powered BETA.

The students also conducted a so-called hot spot analysis, which identified the life cycle phases with the greatest negative environmental impact. This analysis will now serve as a basis for prioritizing our future efforts to reduce the environmental footprint of both products throughout their lifetime.

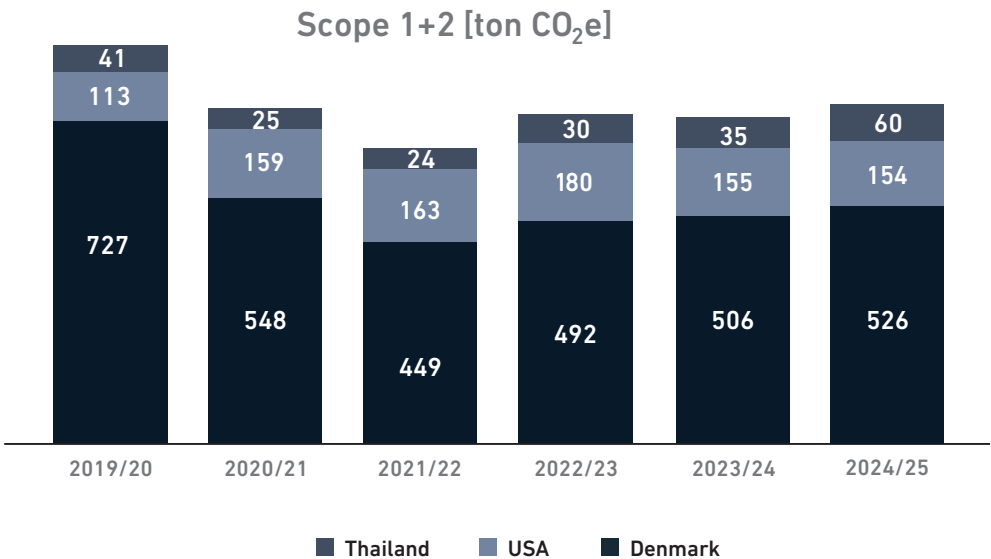
Sustainable Service Concepts of the Future

In the spring of 2025, we participated in a project called “Sustainable Service Concepts of the Future” in collaboration with the Danish Technological Institute, supported by the Danish Industry Foundation. As part of the project, we composed a catalogue of ideas outlining potential initiatives to develop our service offerings with a sustainable foundation. We expect to select and launch new projects based on these ideas during the upcoming fiscal year.



Carbon Accounting Across Three Continents

The largest share of CO₂ emissions within Vestergaard Company stems from our production in Denmark, where we have also historically focused most of our reduction efforts. As we have now achieved significant progress in Denmark, we aim to intensify our efforts across our subsidiaries. The first step was taken last year when we initiated carbon accounting for our subsidiaries. The graph shows the total scope 1 and 2 emissions from our operations in Denmark, Thailand, and the USA. In the coming years, we expect to set ambitious reduction targets to reduce these. We are already exploring the potential for establishing solar power installations in both Thailand and the USA. Additionally, we have launched a project in the USA to increase the share of our waste that is recycled.



WE HAVE ALWAYS WORKED TO CREATE A MORE SUSTAINABLE PRODUCTION.

This roadmap shows our path towards a more sustainable future; from the improvements we already have made, to the plans we have for the future.



SUSTAINABLE WORKPLACE

"At Vestergaard, no one can do everything. Everybody can do something - and together, we can do it all! It is within our DNA. We believe that by focusing on inclusion, education, motivation and commitment, it is beneficial to safety, productivity, community and mental health."

~Peter Røest-Hansen, Production manager



Scan the QR code to read more about our focus on apprentices



SUSTAINABLE WORKPLACE

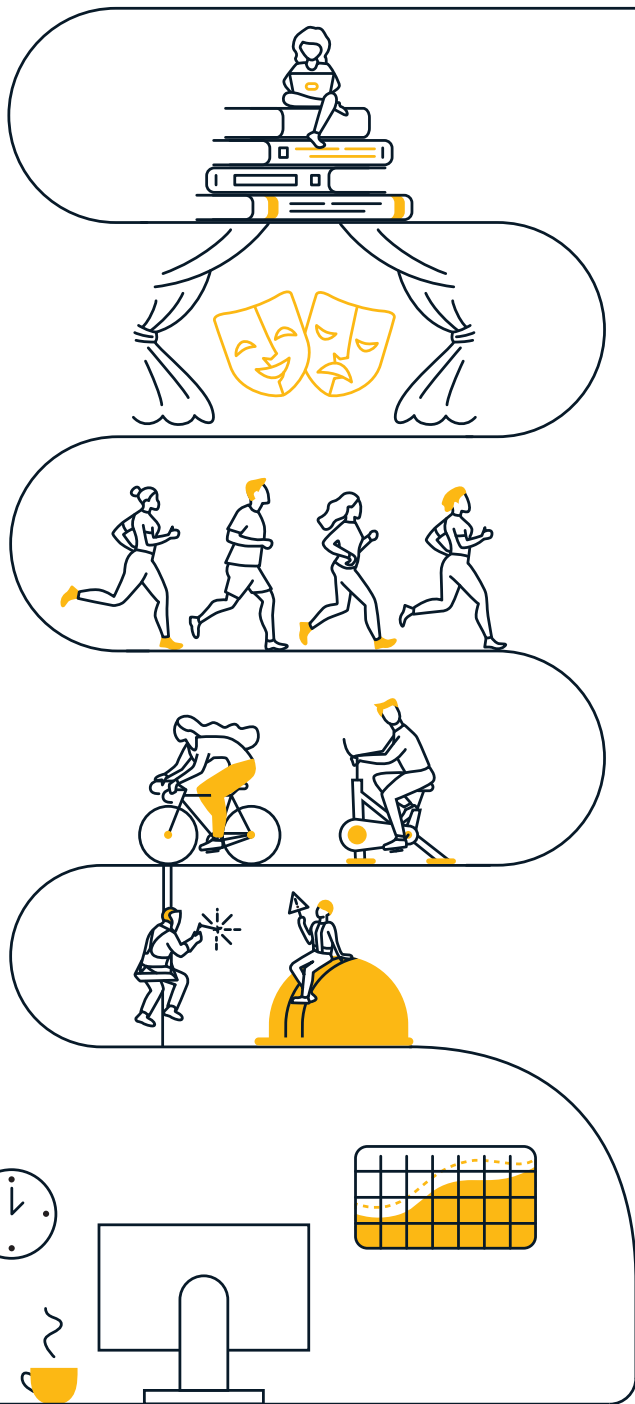
At Vestergaard Company, creating an inclusive and motivating workplace is not merely an ambition, it is a daily reality, shaped by our continuous commitment to employee well-being and safety. Over the past year, we have strengthened this commitment, which is reflected in a low sickness absence rate of 2.7% and a low employee turnover rate of 7%. Both indicators point to a high level of job satisfaction and engagement - essential foundations for maintaining our team spirit and long-term development.

Skilled Hands and Minds

To support our employees' professional and personal development, continued education is a high priority at Vestergaard Company. Last year, our employees participated in an average of four days of relevant internal and external training, reflecting our commitment to lifelong learning and skills development. As a concrete example, all foremen completed the basic management training course from AMU in 2024. This initiative is part of our broader effort to strengthen competencies across the organization and ensure that all foremen are equipped with the necessary tools and knowledge to effectively support their teams.

Our apprenticeship and trainee program continues to grow. We are proud to report that more than 7% of our workforce now consists of apprentices (equivalent to 30 apprentices), including a rising share of women (23%). This year, we established and filled two new apprenticeship positions in our administration, one in procurement and one in sales/service.

We are now in the second year of our partnership with Lejre Municipality, where we focus on increasing awareness among primary school students about vocational education through school visits and an annual education and career fair. This collaboration supports our ambition to build a well-qualified future workforce and promote sustainable development in the local community.



Vision Zero

Over the past year, we have continued to focus on improving safety procedures and incident reporting to create a safer workplace. A key focus area has been the strengthening of our prevention culture, encouraging all employees to report near-miss incidents. Each reported near miss is an opportunity to prevent future accidents. This effort has enhanced our ability to respond quickly and effectively to safety observations.

To further reinforce this culture, we plan to introduce a new occupational health and safety initiative titled "Vision Zero" in the upcoming quarter. This initiative will include new strategies and tools, such as monthly Safety Walks, to further improve safety and ensure that all employees and managers are equipped to contribute to a safer working environment.

Strength in Diversity

We prioritize employee well-being, recognizing that a healthy psychosocial work environment is vital for fostering job satisfaction and mental health. A critical element of this is embracing diversity. A key initiative this year was a well-attended presentation by a psychologist with extensive experience working with children and young people with special needs. The session provided us with practical tools for understanding and addressing the everyday challenges faced by individuals - both youth and adults, with special needs in the workplace.

The presentation emphasized the importance of recognizing and including all types of employees and offering support through accommodations that make their workday easier. Through concrete examples, we learned about sensory overload, attention management, and the value of clear communication. These insights have been incorporated into our daily operations to improve the working environment for everyone, especially those facing neurodivergent challenges such as ADHD or autism. These efforts strengthen our collective awareness and promote a more inclusive and supportive workplace.

Values that Work

As part of our cultural initiatives, we will revisit and revitalize Vestergaard's core values with a renewed focus on translating them into tangible, everyday behaviors. Sustainability will be an integrated part of this effort and will be reflected in how we work, collaborate, and make decisions. By embedding sustainability into our culture and shared conduct, we strengthen our ability to think long-term, act responsibly, and support sustainable development - both for our people, our business, and the broader community we are part of.

At the same time, we are sharpening our focus on attracting the right candidates by clearly communicating who we are and what we stand for. A strong, value-driven culture - where sustainability is visible and genuine - helps us attract people who share our ambitions and want to make a difference in a meaningful and responsible community.

Health Through Movement

On the health front, we continue to offer regular health checks and a variety of wellness-promoting activities such as yoga, circuit training, and fitness facilities, all of which contribute to both physical and mental well-being. In addition, employees have free access to in-house physiotherapists. These programs are designed to be inclusive and adaptable so that all employees, regardless of personal challenges, can participate.

Vestergaard Company is more than just a workplace, it is a community where everyone is valued, and where we take shared responsibility for creating a healthy and supportive environment. We build on our legacy of family spirit and unity, and each new challenge is met with collective effort to ensure that we continue progressing toward a more sustainable workplace.



SUSTAINABLE BUSINESS

"In Vestergaard Company, we view our obligation to further human rights and diversity both internally and in society as a whole with gravity. We strive to be a responsible and active partner working toward a more equal and inclusive future"

~Tine Knarreborg, CFO



HUMAN RIGHTS AND DIVERSITY

Objectives

Our objective is to support and respect the protection of internationally declared human rights, practice social responsibility toward our employees, business partners and stakeholders, and continue our collaboration with the municipality to support vulnerable groups.



Human Rights

At Vestergaard Company, we take responsibility for protecting human rights and promoting diversity. Discrimination based on gender, race, sexual orientation, or religion is not tolerated. We do not allow child labor, forced labor, or social dumping, and we actively engage with customers and suppliers to ensure compliance with our Code of Conduct.

We recognize that labor rights are not equally embedded in all countries where we operate. We therefore monitor conditions in our subsidiaries and among our partners on an ongoing basis. All employees have the right to freely organize in trade unions, conduct collective bargaining, and go on strike in accordance with applicable legislation.

Diversity

Vestergaard Company provides equal opportunities for all employees. We work with the local municipality to offer flexible jobs, work placement programs, and employment for refugees and asylum seekers.

Historically, as a male-dominated workplace, men have shaped our internal recruitment base for leadership positions. To change this, external recruitment is now a permanent element of our internal recruitment processes. This has contributed to increased gender diversity: over the past year, we have recruited more women into both production and administrative roles, and we have increased the number of female apprentices. We have also welcomed a new female member to our Board of Directors and thereby reached our goal of increasing the proportion of women on the board from 20% to 33%. We see this as a positive sign that our focus on inclusion and diversity is producing real results.

We also prioritize early intervention through a partnership agreement with Lejre Municipality aimed at increasing young people's awareness of vocational education and career opportunities. The agreement includes school visits, more internship placements, and an annual education and career fair. It will run through the end of 2026.

GOOD BUSINESS PRACTICE

Objectives

We will continue to expand our compliance system to include all current and future agents and distributors. All new agents will automatically be subject to the same due diligence process as our existing partners. We believe that by maintaining high standards of business conduct, we can build long-term relationships with our stakeholders based on trust, integrity, and transparency.



Vestergaard Company strongly condemns all forms of corruption, including bribery and extortion. To ensure that all agents, distributors, and selected business partners comply with our Code of Conduct, we have implemented a compliance system that is continuously monitored and updated. This system is based on an annual due diligence process that assesses the risks associated with each partner's operating environment.

We recognize that information about our business partners is not always publicly available, which is why we rely on them to provide the necessary documentation. This documentation is subsequently reviewed and approved by our CFO and CEO. To further strengthen our compliance efforts, we have conducted an internal risk assessment of the countries in which our partners operate. Based on this assessment, risk levels have been categorized from low to medium, depending on the geographic location.

Vestergaard Company has implemented a whistleblower scheme and harassment policy in line with current legal requirements.

We also value privacy and the protection of personal data. To this end, we have implemented applicable GDPR regulations, informed all employees about the current rules, and provided training for all managers handling personal data. We have introduced a GDPR tool that scans selected employees' mailboxes and OneDrives for potentially exposed material and generates an output to support cleanup. In addition, we conduct an annual internal GDPR audit to ensure compliance.



RISK ANALYSIS

VALUE CHAIN	IDENTIFIED RISKS	MANAGEMENT
CURRENCY	Part of the company's revenue is invoiced in foreign currencies. This means that result, cash flows and equity are subject to exchange rate movements in several currencie	We do not enter into speculative currency positions The company has had a fiscal policy securing significant exposures
COMPLIANCE	Agents and distributors representing Vestergaard in other countries	We employ a compliance system to ensure that the company's agents and distributors act in accordance with our Code of Conduct. This entails that selected agents and suppliers sign our CoC
INDUSTRY	The marketability of Vestergaard's products to industries other than the aviation industry is limited. The company is thus dependent on the industry's economic development	Focus on consolidation during times of growth
SUPPLIERS	The suppliers' financial situation Vestergaard's dependency on few suppliers Gift policy	Business agreements concluded with the 20 largest suppliers with a review of their financial situation before signing the contracts. In addition, we have more than 400 different suppliers All supplier gifts are included in the annual Christmas lottery for our employees
SAFETY	Accidents are one of the most significant risk factors within the aviation industry and GSE. Most accidents in the GSE industry occur when working on the ground in the proximity of the aircraft (in other words at the apron)	Vestergaard provides customers with thorough training in the application of our products Participation in industry associations and trendsetting forums, such as SAE G-12, and advocating for high standards and safety
WORKFORCE	Cyclical fluctuations mean that Vestergaard employees may be subject to increased work pressure and uncertainty during recession	Vestergaard conduct biannual job satisfaction surveys which helped raise awareness of stress risks and exposed employees. We conduct follow-ups continuously
CUSTOMERS	A significant portion of our revenue is generated in the North American market. The current tariff situation presents a risk to competitiveness and profitability, as increased tariffs may make our products relatively more expensive compared to local competitors. A blend of public and private customers	Global sales, focus on a diversified customer portfolio which consists not only of a few major customers but also of numerous large and small customers distributed geographically across North America, Europe, and Asia. We continuously monitor developments in tariffs and actively engage in scenario planning. Our customers are distributed with approx. 70 % private and 30% public customers. The trend is an increase in private customers. Vestergaard is aware of the risk associated with public projects and procurement, and we always consider the specific situation

KPITABEL

INDICATOR	Unit	2019/20	2021/22	2022/23	2023/24	2024/25
ENERGY						
Energy consumption per unit	mWh	16,6	36,6	36,0	14,4	7,7
Own production of energy	mWh		164	167	163	160
% of electricity consumption covered by own production	%		20%	18%	16%	12%
CO2-EMISSIONS ¹						
Scope 1	tonnes	604	364	397	431	434
Scope 2 (lokationsbaseret)	tonnes	123	85	95	75	92
Scope 2 (markedsbaseret)	tonnes	313	282	347	460	552
Scope 3	tonnes	78.882	29.440	50.214	76.710	98.398
Totale emissions (location-based)	tonnes	79.609	29.889	50.706	77.216	98.924
Totale emissions (market-based)	tonnes	79.800	30.086	50.957	77.601	99.384
WASTE						
Recycling	tonnes	115	54	70	120	152
Exploitation	tonnes	119	40	51	58	82
Bio energy	tonnes			10	21	10
Disposal	tonnes	5	3	5	6	1
Recovery rate	%	98%	97%	96%	97%	99%
WATER						
Water consumption per unit	m³	39	64	64	31	19
WORK ENVIRONMENT						
Accidents at work ²	number	1	4	2	8	8
Lost time injury frequency ³	number	3,8	28,8	10,1	28,0	23,7
EMPLOYEES						
Number of employees ⁴	number	342	242	297	380	432
Sickness absenteeism ⁵	%	2,9%	2,4%	2,9%	2,8%	3,9%
Staff turnover ⁶	%	8,0%	8,4%	6,4%	6,5%	7,0%
Health score	number	176 (58%)	150 (60%)	n/a	198 (59%)	n/a
Satisfaction score	scale	High	High	High	High	High

¹⁾ Index base years from 2019/20 to 2023/24 have been recalculated.
²⁾ Number of accidents at work with sickness absenteeism reported to the systems of the Danish Labor Market Insurance and Working Environment Authority (Da: Arbejdsmarkedets Erhvervssikrings og Arbejdstilsynets system (EASY)).
³⁾ Number of accidents 1.000.000 hours worked for hourly-paid staff.
⁴⁾ Number of employees end the financial year.
⁵⁾ Total absence due to sickness for VCAS, incl. long-term absence due to illness, excl. child's first sick day.
⁶⁾ Number of employees who have left VCAS irrespective of reason/average number of employees throughout the year.