

An aerial photograph showing a dark asphalt road with white lane markings that curves through a vast, dense forest of tall, green coniferous trees. The forest is lush and extends to the edges of the frame. The road is the central focus, curving from the upper left towards the center of the image.

Sustainability Report | 2023

EGMONT

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Egmont's Sustainability Report provides detailed information on sustainability and our responsible business behaviour. The Sustainability Report serves as a supplementary document to the United Nations Global Compact Communication on Progress (CoP), which will be submitted in 2024 through the CoP digital platform. This report includes Egmont's mandatory, non-financial reporting in accordance with article 99a and Egmont's statement on data ethics in accordance with article 99d of the Danish Financial Statements Act (Årsregnskabsloven).

Words from our CEO



As a leading media company with a dual mission of telling stories important to society and helping the next generation through our social work, Egmont has a longstanding commitment to being a responsible company. We work closely with our manufacturers and partners to ensure that we adhere to the UN Global Compact principles on human and labour rights, anti-corruption, and environment. We take action across our business and value chain to deliver on our commitments, manage our most material issues, and enhance our positive contribution to society.

During 2023, we have continued to work on *Go Greener*, which is the framework for Egmont's strategic climate and environmental focus. We will do our part to ensure a more sustainable planet for future generations.

Since 2022, Egmont has reached its goal of 100% green electricity by matching our electricity consumption with 100% renewable electricity. In July 2023, our co-investment in a solar park in Denmark became operational, and is expected to add an annual capacity of around 70,000 MWh of renewable electricity to the Danish grid of which 11,600 MWh is sold to Egmont. In October 2023, Egmont invested in a solar park in southern Sweden which will add around 11,000 MWh of renewable electricity to the grid annually. The solar parks will cover approximately 2/3 of Egmont's electricity consumption.

We have set targets for reducing our carbon emissions for key scope 3 categories in two of our divisions. We will also take wider responsibility for the impact of our businesses on the climate and will set targets for scope 1, 2 and 3 aligned with the Paris Agreement.

This report describes how we have progressed with our social, ethical, and climate efforts to make sure that we continue to be a responsible company.

Steffen Kragh
President & CEO of Egmont

Egmont at a glance

Egmont is a leading Nordic media group with a dual purpose. Every day we bring stories to life, and we empower children and young people at risk to pursue a good life.

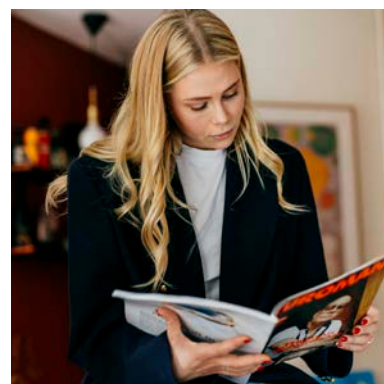
Our stories matter to people and society. From entertaining to in-depth, from paper to screens, from 24/7 news to Oscar winners. We are driven by the stories that touch our hearts, enlighten, educate, inspire, create communities and push for change.

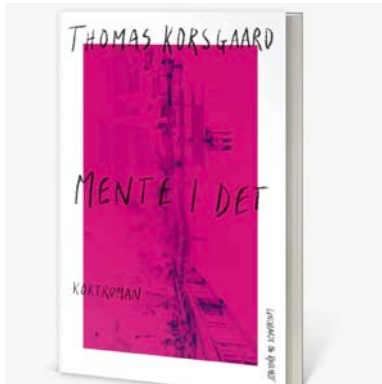
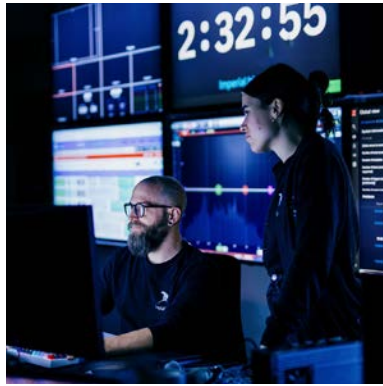
With a strong entrepreneurial spirit in our DNA, we are constantly looking for new ways to share what is important to us. Today, we are more than 50 innovative companies and brands that cover books, TV, magazines, movies, games, cinemas, education, e-commerce, and agencies. We are behind great companies such as Nordisk Film, Story House Egmont, TV 2 in Norway, Lindhardt og Ringhof, and Cappelen Damm.

Our own story is about taking responsibility and giving back to society. As a commercial foundation, we have spent part of our profits to help others for more than 100 years. In 2023, we donated 14.9 million EUR to support children and young people in completing an education and pursuing a good life.

Our commitment means that we will invest heavily in content and continue to improve our sustainability performance.

See our Annual Report for more information on our business and financials at: <https://www.egmont.com/key-figures-reports>





Our approach to sustainability

Egmont wants to contribute to sustainable development, which includes targeted efforts to reduce greenhouse gas (GHG) emissions, develop non-plastic packaging solutions, work responsibly with suppliers and partners, and focus on a learning culture which includes professional skills development and encouraging new ways of working.

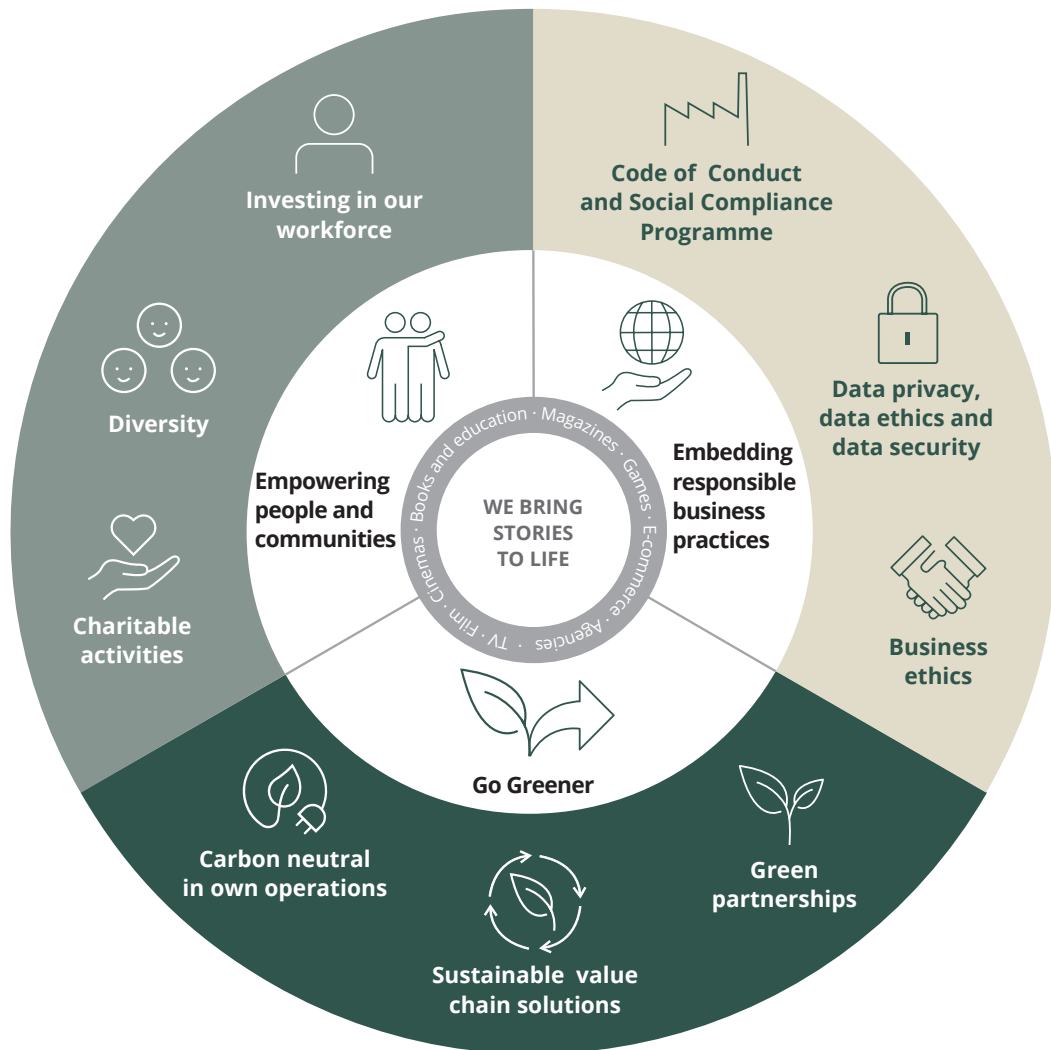
Our ambitions support the UN Sustainable Development Goals (SDGs) and direct our approach to manage the most significant climate, environmental, and social issues arising from the business processes.

Egmont has established common policies, standards, and guidelines which specify how the companies in Egmont address important sustainability areas such as environment and climate, responsible sourcing, and employer responsibility. Awareness-raising, risk mapping, improvement plans, monitoring and reporting are key elements in the continuous improvement of these areas. During 2023, we have carried out a double materiality assessment throughout Egmont's value chains. The purpose was to assess our material impacts on society and the environment (inside out) and the material financial impacts on our businesses (outside in), and identify risks and opportunities in order to be ready for reporting in accordance with the Corporate Sustainability Reporting Directive. The outcome will support Egmont's ongoing sustainability initiatives.

Egmont's Go Greener strategy describes Egmont's ambition to contribute to a low-carbon economy and a better planet for future generations. Our most material risks regarding climate and environmental issues can be found on page 12. During 2023, we have set emission reduction targets for key scope 3 categories in Books and Story House. As a next key step, Egmont will develop targets for scope 1, 2 and 3 aligned with the Paris Agreement. This will ensure that we take wider responsibility for our scope 3 emissions and plan for emission reduction across all our key value chains.

Responsibility and integrity are core to the way we conduct our business, and Egmont promotes responsible business practices throughout its value chain. Egmont's Business Ethics Policy and Code of Conduct provide clear guidance for our employees and business partners.

The people in Egmont are our most valuable assets, and we continue to invest in personal and professional development of our employees. We strive to foster an inclusive environment, where we treat each other with respect.



Empowering people and communities

People: Providing an engaging employment with a meaningful job, a great purpose, great cooperation with colleagues, and opportunities to develop professionally.

Communities: Contributing to the sustainable development of communities through engagement, funding, and partnerships to support vulnerable children and youth as well as young talents.



Embedding responsible business practices

Ethical business and compliance: Promoting an ethical culture and conducting our business with integrity and ensuring we comply with all relevant legal and regulatory requirements in own operations and supply chains.



Go Greener

Climate change and circular economy: Reducing our greenhouse gas (GHG) emissions from own operations and high emission areas within our value chains. Emission reduction targets set for selected scope 3 categories.

Sustainability highlights

Go Greener

	Unit	2019	2020	2021	2022	2023
Renewable electricity share (scope 2)	%	N/A	N/A	25%	100%	100%
Scope 1 emissions	tCO ₂ e	1,013	698	717	738	560
Scope 2 emissions (market-based)	tCO ₂ e	14,296	12,765	9,817	1,077	973
Scope 2 emissions (location-based)	tCO ₂ e	4,614	3,541	2,630	2,677	2,718
Scope 3 emissions*	tCO ₂ e	N/A	N/A	54,917	50,458	44,432

Our workforce, board and management

Employee engagement level**	1-10	8.0	8.1	8.2	8.2	8.0
Gender diversity, total*** (female % / male %)	%	52/48	48/52	50/50	49/51	51/49
Gender diversity, all management across Egmont**** (female % / male %)	%	47/53	49/51	44/56	43/57	42/58
Gender diversity, corporate management Egmont Fonden***** (female % / male %)	%	38/62	38/62	31/69	31/69	36/64
Gender diversity, board of directors Egmont Fonden (female % / male %)	%	0/100	14/86	14/86	17/83	33/67

*) Including five categories: Printed Products, Goods Transportation, Toys & Covermounts, Packaging, and Business Flights. See carbon accounting policies on pages 40-43

**) This is based on an online survey twice a year in which all employees in all wholly owned companies and some majority owned companies participate (students are not included in most companies).

***) This total includes all employees.

****) All management includes all positions with employee responsibilities. The increase in the share of male management members from 2020 – 2023 is mainly due to including new wholly and majority owned companies in the scope.

*****) Corporate management includes the 14 members of Egmont Corporate Management.

Double Materiality Assessment - Preparing for Corporate Sustainability Reporting Directive (CSRD)

In 2025, the Corporate Sustainability Reporting Directive (CSRD) will come into effect for non-listed large companies within the EU. This directive will guide how Egmont assesses material sustainability matters. The CSRD defines double materiality as the assessment of how Egmont's activities impact the environment or people (the inside-out perspective), and how sustainability-related risks and opportunities affect Egmont (the outside-in perspective). In addition, the CSRD sets out new disclosure requirements and data points that will significantly increase the current reporting requirements, and it introduces mandatory limited assurance on the reporting.

To prepare for the upcoming legislative framework, Egmont has begun its double materiality assessment (DMA). In 2022, Egmont conducted a comprehensive value chain mapping. During 2023 this mapping was refined, and we also outlined our business model while identifying key stakeholders. These steps allowed us to identify and assess sustainability related impacts, risks, and opportunities (IROs) across Egmont's different value chains. It was a substantial task, as our businesses cover a great diversity and sectors. The IRO assessment covered 14 different value chains across Egmont and identification and assessment of relevant IROs across all 10 ESRS topical sector-agnostic standards.

The primary purpose of the DMA was to determine which sustainability topics and underlying impacts, risks, and opportunities are material for Egmont to report in the sustainability statement. The process helped us determine where our most material IROs are in our value chains, and where we need to prioritize collecting data to make sure we keep our focus on where Egmont has the most material IROs related to the environment, people, or governance when Egmont becomes subject to CSRD from the financial year 2025.



Go Greener





Our carbon account

Our current reporting scope

We use the Greenhouse Gas (GHG) Protocol to report Egmont's carbon account. Own operations (scope 1 and 2) include company cars and facilities. Sustainable value chain solutions (scope 3) include the following emission categories: Business Flights, Printed Products, Goods Transportation, Toys & Covermounts, and Packaging. These categories were identified as material for businesses, see Egmont's carbon accounting principles. The 2023 distribution of GHG emissions from scope 1, 2 and 3 can be seen in the below figure.



Company vehicles and fuel used in facilities

Electricity, heat, and cooling

Business Flights, Printed Products, Packaging, Goods Transportation, and Toys & Covermounts

Scope 1

Scope 2

(market-based)

Scope 3

560 tCO₂e

973 tCO₂e

44,432 tCO₂e

1% of total

2% of total

97% of total

Our Go Greener commitments

Our planet is under pressure, and the climate and ecosystems are changing with severe consequences. We want to do our part for the planet, by continuously setting GHG emission reduction targets and taking action across our businesses to drive emission reductions and deliver on our commitments.

Our main focus in the coming years will be to develop and set robust GHG emission reduction targets for scope 1, 2 and 3 aligned with the Paris Agreement.

In the meantime, we are working with the below targets to secure progress in our current focus areas. These targets may be revised as part of the process of setting targets across all our emissions.

In addition, we will work on further defining our Go Greener strategy across Egmont. TV 2 AS already started this work in 2023 by developing their own sustainability strategy.

Scope Our current targets and commitments

Scope 1 and 2

- **Egmont:** From 2023, new passenger cars leased by Egmont's Nordic companies can only include electric vehicles (plug-in hybrid or battery)
- **Egmont:** 100% green electricity from 2022 (i.e., electricity from renewable sources)
- **Egmont:** Compensate residual scope 1 and 2 emissions*

Scope 3

By 2024

- **Story House Egmont:** Reduce plastic used for covermount packaging by 50% (in weight) by 2024, compared to 2021
- **Story House Egmont:** Use at least 30% recycled material for covermount packaging by 2024
- **Story House Egmont:** Reduce plastic used in covermounts by at least 25% (in weight) by 2024, compared to 2021

By 2030

- **Egmont Books:** Reduce GHG emissions from Printed Products by 33% in 2030, compared to 2021**
- **Egmont Books:** Reduce GHG emissions from Goods Transportation by 28% in 2030, compared to 2021 (new)
- **Story House Egmont:** Reduce GHG emissions from all current scope 3 categories by 33% in 2030, compared to 2021 (new).

*) In total 1,533 tCO₂e has been compensated in 2023 from Rimba Raya project.

**) Target has been restated to align base year across Egmont



Own operations (scope 1 and 2)

Company vehicles and fuel consumption (scope 1)

Actions

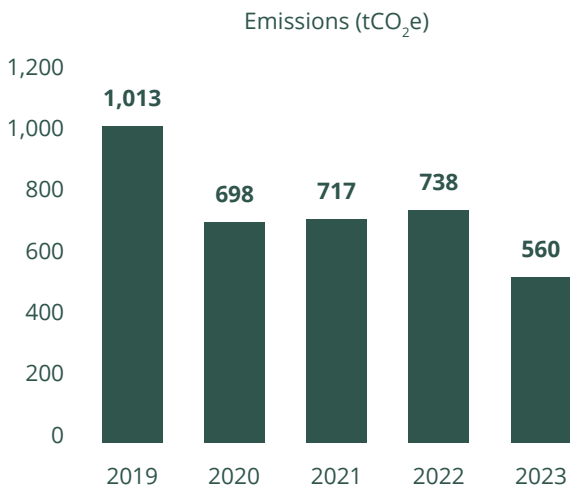
In 2023, our new company car policy was implemented in the Nordics: all new passenger cars leased by Egmont in our Danish, Swedish, and Norwegian companies must now be electric vehicles (plug-in hybrid or battery). We continue to compensate our residual GHG emissions in scope 1.

Results

Our scope 1 emissions have decreased by 24% between 2022 and 2023, mainly driven by a decrease of combustion vehicles in our fleet and fleet size. As at end-2023, electric vehicles made up 50% of our company vehicles fleet, against 43% end-2022.

Next steps

- Remaining vehicles will be replaced gradually by electric vehicles as new technologies become available at scale, and new legislation in our markets will phase out the sales of fossil passenger cars in the coming years
- Set emission reduction target for scope 1



C A S E

Sustainability strategy in TV 2

Sustainability is a broad field, and it can be challenging to prioritize and identify where efforts yield greatest impact. In recent years, TV 2 has already been working with several sustainable initiatives. But in 2023, TV 2 embarked on an extensive process of formalizing their sustainability efforts by developing a sustainability strategy. This process involved conducting double materiality assessment to evaluate where TV 2 could have the most impact and identify risk and opportunities, and then use this to prioritize which sustainability topics to focus their efforts on. Early in the process, relevant stakeholders were interviewed to get their insights and perspectives on TV 2's impact, risks, and opportunities.

Within TV 2, climate consciousness has driven the ongoing efforts the last few years. Going forward, the increased efforts will initially focus on reducing carbon emissions from TV productions. In addition, TV 2 will continue working towards greener value chains, where most carbon emissions are generated. Besides environmental considerations, TV 2 will work for a diverse workplace that reflects the Norwegian population both in terms of workforce composition and the content broadcasted.

"It has been a very educational process for us so far, especially the double materiality assessment work. It has provided a necessary overview of and focus on our total agenda. So, the goal is to make an impact and to be successful on our journey to a more sustainable TV 2," Sustainability Manager in TV 2, Kristin Langangen emphasizes.

Adopting a more structured approach towards sustainability requires keeping a close eye on developments in our work and gathering the necessary data to track progress and create results. The strategy will also help communicate TV 2's efforts both internally and externally, further ensuring transparency and openness in their future sustainability work.



Electricity, heating and cooling (scope 2)

Actions

Nordisk Film Cinemas, which represents nearly half of our total energy consumption (scope 2), has continued its work with energy efficiency and in 2023 a main focus has been to create awareness about the impact of employee behavior on energy consumption. Nordisk Film Cinemas has also continued to develop its data foundation which will be the basis for energy reduction initiatives.

In 2023, Egmont has continued to match 100% of our electricity consumption (scope 2) with renewable electricity. In October, we signed a second Power Purchase Agreement (PPA) for the construction of an 11 GWh solar power plant in Southern Sweden, which is expected to start operations by summer 2024 and cover approximately half of our electricity consumption in Sweden and Norway. The remaining share of our renewable electricity sourcing consists of a mix of renewable electricity sourced by our companies and renewable electricity certificates sourced centrally (Danish PPA and other certificates). We continue compensating our residual GHG emissions in scope 2.

Results

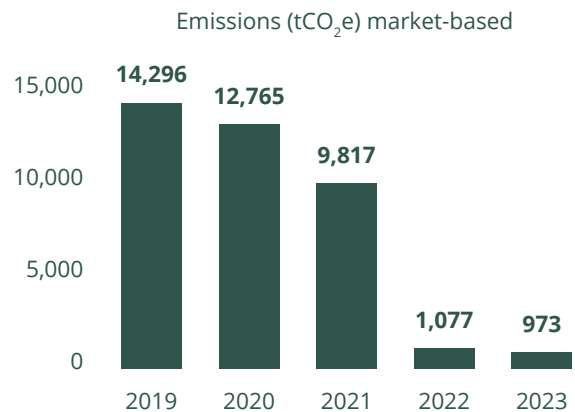
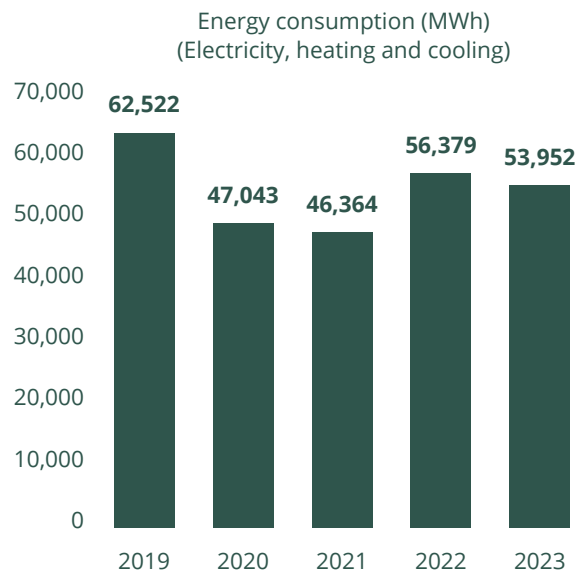
Egmont's scope 2 emissions (market-based) are 10% lower in 2023 compared to 2022. In 2023, our absolute energy consumption was at the same level as in 2022.

Nordisk Film Cinemas in Denmark has had a strong focus on electricity reductions in the past few years and has reduced its electricity consumption by 11% in 2023 compared to 2019. This reduction can be explained by improved heating, ventilation and air conditioning systems, using ventilation systems only during film showings, and reducing unnecessary energy consumption through employee engagement.

Egmont's renewable electricity share is 100% in 2023. In July 2023, the solar plant in which we have co-invested with 11 other Danish companies started operations. It is expected to add an annual capacity of around 70,000 MWh of renewable electricity to the Danish grid of which 11,600 MWh is sold to Egmont, and this will cover more than 90% of Egmont's electricity consumption in Denmark.

Next steps

- Continue improving our data foundation for scope 2 to enable energy reduction initiatives in our facilities
- Continue sourcing renewable electricity to cover 100% of our electricity consumption. The second solar power plant will become operational mid-2024. Together, our two PPAs will cover approximately two-thirds of our electricity consumption with renewable electricity going forward
- Set emission reduction target for scope 2





C A S E

Go Greener workshops – Nordisk Film Cinemas

Nordisk Film Cinemas is continuously considering how to minimize their carbon footprint and impact on the environment, with a focus on electricity consumption, packaging, and waste sorting. In the past years, Nordisk Film Cinemas has already implemented several initiatives such as optimizing ventilation systems and cinema lighting and replacing older equipment in the cinemas.

Employees play a crucial role in these efforts, and their insights and actions are very important to make Nordisk Film Cinemas more sustainable. Employees are one of the strongest communication channels for our cinemas, given their direct interaction with cinema guests and their opportunity to inform guests about Nordisk Film Cinemas' sustainability efforts. Internal surveys also indicate a high level of interest and commitment to sustainability among employees, and therefore, throughout 2023, Nordisk Film Cinemas held workshops for all employees in Denmark and the majority of employees in Norway, focusing on sustainable solutions in the cinemas.

The overall aim of the workshops was to raise awareness and engagement about sustainability among employees by involving them directly – listening to their ideas and making local sustainability efforts relevant. Employees

were first introduced to Nordisk Film Cinemas' overall approach to sustainability, followed by a review of existing sustainability initiatives related to electricity consumption, packaging, and waste sorting. They then worked in groups on these areas and provided input and ideas for sustainable behavior among employees.

Josefine Stilling Sandahl, Operations Manager at Aalborg Kennedy cinema, explains: "The response was very positive; our team participated actively with a lot of interest". She acknowledges that while it requires continuous work to keep engagement high, important habits have taken root. She has noticed an increased focus on lighting and food wastage, and employees are generally becoming more aware of sustainable behavior in the cinemas.

"For this awareness to transform into routine practice and create long-term effect, it will require changes in underlying operational processes across all cinemas," Josefine states.

Nordisk Film Cinemas will continue the work on awareness and employee engagement, and the next step is to have similar workshops in the remaining cinemas.





Sustainable value chain solutions (scope 3)

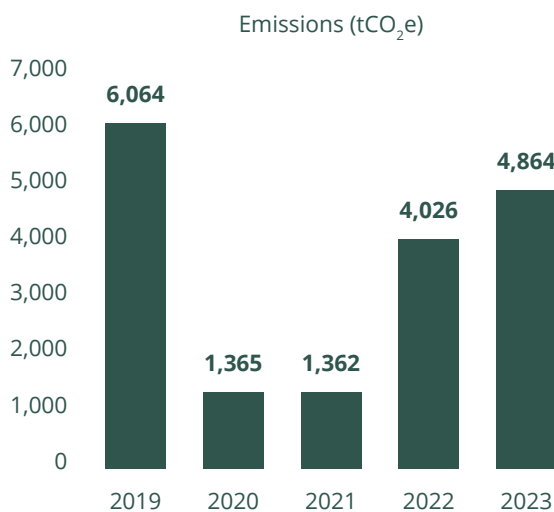
Business Flights

Actions

The working group established end-2022 continued its work in 2023 to better understand Egmont's business travel patterns and needs, and to identify reduction potential. As a result, we have developed an Inspiration Catalogue with concrete ideas on how to reduce GHG emissions from business flights, which can be implemented locally in our different businesses as relevant.

Results

From 2022 to 2023, our GHG emissions from Business Flights increased by 21%. Part of this is because the beginning of 2022 was still impacted by COVID-19, and because some of our businesses used 2022 and 2023 to re-establish business relationships after the pandemic, which resulted in an increase in travelling. Our 2023 emissions are still 20% lower than in 2019 (pre-covid), which indicates that we have managed to maintain the changed ways of working implemented during the pandemic, and our 2023 business flights emissions could therefore be considered as a 'new normal' after the pandemic.



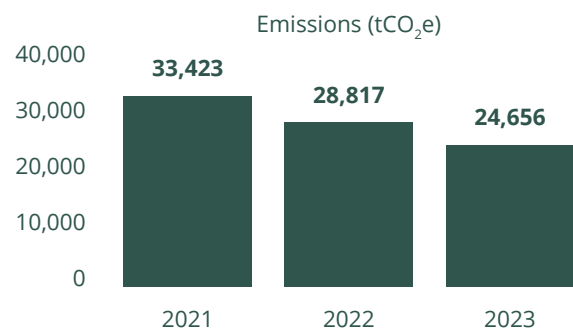
Printed Products

Actions

In 2023, our cross-divisional forum on climate and printed products was transformed into a working group tasked with exploring reduction potential for Printed Products towards 2030 as a basis for setting new targets for our scope 3 emissions. The work involved refining our current GHG emission calculations for Printed Products, analysing our suppliers' targets and initiatives, as well as identifying and sharing potential initiatives to reduce our GHG emissions across our businesses towards 2030. Looking at our supplier landscape, several have GHG emission reduction targets. Egmont Books and Story House Egmont have built strong relationships with many suppliers, and they have an ongoing dialogue about how to reduce emissions from Printed Products. At the same time, our businesses have continued to implement initiatives to support reducing and tracking emissions. Our two publishers, Cappelen Damm and Lindhardt og Ringhof have developed 'The Sustainable Toolkit' to guide the publishers to make the right decisions when planning and producing books. In our media business in Story House Egmont, we are focusing on selecting paper with lower emissions and producing smaller magazine formats.

Results

Absolute emissions from printed products have decreased by 14% from 2022 to 2023. This decrease is mainly explained by a reduction in the volume of printed products due to a decline in sales and improved forecasting for books production. In addition, the reduction can also be explained by our selection of paper types with lower emissions and initiatives from our printers such as increased sourcing of renewable electricity.





CASE

A toolkit for sustainable books

Books bring emotions and great thoughts from an author to the reader. It also burdens the climate by using trees, print and transportation when the words transform from the author's mind to the hands of the reader. Egmont's Norwegian publisher Cappelen Damm aims to reduce greenhouse gas emissions related to the production of books by 33% by 2030 from a 2021 base year, by making current materials and production methods less polluting or finding new and lower emission alternatives. Together with the Danish publisher Lindhardt og Ringhof, Cappelen Damm has created "The Sustainable Toolkit", a hands-on kit to help make the right decisions when planning and producing a book.

"The tool is used in meetings between production staff, editors, and authors. It is important to present specific examples, because it is difficult to visualize paper quality, typographies, and surfaces. You must have specifics to see, feel, and touch," Roy Jensrud, Production and Sustainability Director in Cappelen Damm explains.

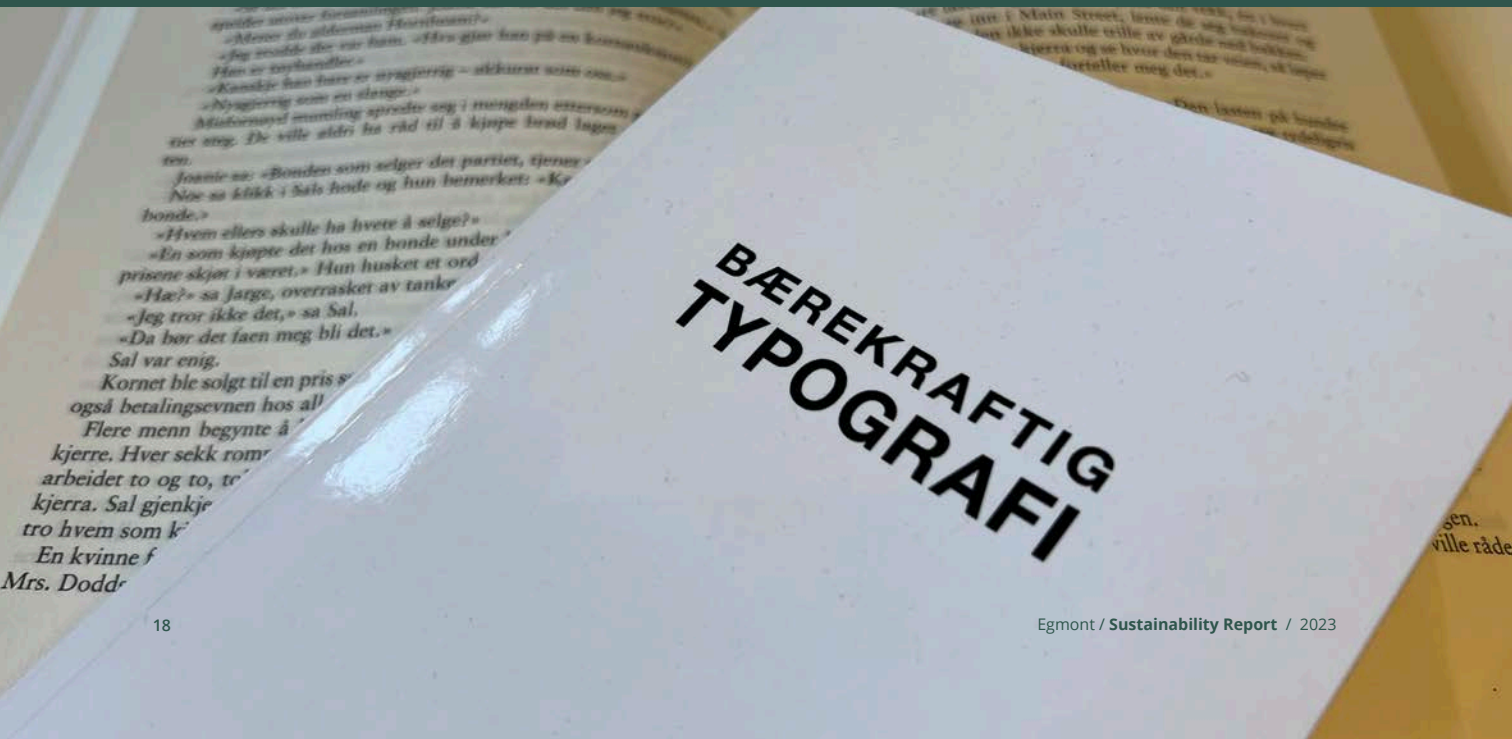
The toolkit encompasses technical specifications such as format, paper, finishing and printing technology, and it demands good cooperation between editors

and people in marketing and production. Cappelen Damm wants to create better books, faster and at the lowest cost possible. At the same time, the publisher must deliver the required number of books and aim to print on demand with the strategy printONE, printFEW and printMANY. And it all works together, lowering both costs and carbon emissions.

"Readability is of course the most important thing in a book, and putting the reader first is paramount. We call this subject-specific sustainable typography. The number of characters per page affects the total number of pages and how much paper we need. As a book's number of pages increases, the production process takes longer, making it more expensive and increasing carbon emissions. So having more characters per page reduces your need for paper usage, resulting in lower carbon emissions and cheaper books to produce," says Roy Jensrud.

When there is a correlation between saving costs and reducing carbon emissions, working with sustainability becomes exciting and valuable.

"I can hardly think of anything more meaningful than being able to influence sustainable publishing positively."





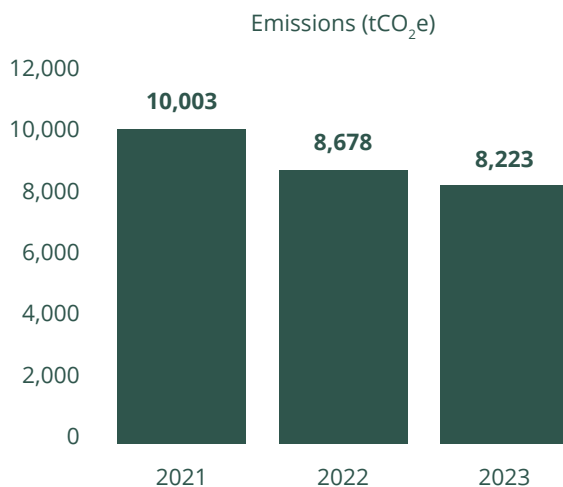
Goods Transportation

Actions

In 2023 our cross-divisional forum on climate and goods transportation was transformed into a working group with the same aim and tasks as previously described for Printed Products. Looking at our suppliers across Egmont, we continue to see a positive trend with many of our suppliers setting their own emission reduction targets and developing own decarbonisation roadmaps, as well as starting to implement specific initiatives to reduce GHG emissions. At the same time, our businesses continue to work with existing initiatives and to identify new initiatives to reduce our emissions from Goods Transportation. Examples of initiatives include optimisation of shipments by consolidating goods transported into fewer shipments, prioritising sea or rail freight when possible, and reducing the amount of air in packaging.

Results

Our emissions for Goods Transportation have slightly decreased between 2022 and 2023. This is the result of several factors across our businesses, including changes in volumes being transported across our businesses and reduction initiatives being implemented by our suppliers (e.g. use of new aircrafts with lower emissions).



Packaging

Actions

Most of our GHG emissions from packaging relate to our media and e-commerce businesses in Story House Egmont. In our media business, we have focused on removing foils from magazines for selected titles and replacing foils with recycled plastic, paper or other materials. In addition, we have started to introduce recycled materials in packaging for our Toys & Covermounts, and we will increase this focus in 2024. In our e-commerce businesses, we have reduced filling material, introduced bubble-wrap envelopes that reduce packaging size, and increased the share of recycled packaging material.

Results

Our emissions from packaging have decreased by 19% between 2022 and 2023. The biggest reductions come from our media businesses in Story House Egmont, where we have experienced a decrease in packaging tonnage. This can be explained by fewer magazines produced, our initiatives to reduce packaging and the carbon intensity of our packaging materials. We are also well on track with our targets on plastic for our covermount packaging:

- The share of recycled plastic in our covermount packaging is 21% in 2023 (Target: 30% by 2024)
- We have achieved a reduction of 29% in plastic weight for covermount packaging between 2021 and 2023 (Target: -50% by 2024 compared with 2021)





C A S E

Making e-commerce business more sustainable - from product design to customer returns

From designing and developing a new product to purchasing and transporting existing products. From packaging the product, sending it to the consumer, and receiving returns. All these steps matter when it comes to making e-commerce business more sustainable.

'Bagaren och Kocken' is part of Egmont's e-commerce portfolio and one of Sweden's largest online stores for kitchen appliances and utensils. When they buy knives, pots, plates, and other products for the kitchen from the manufacturers, they have clear demands to their supplier.

"The suppliers should provide detailed information on the product, both to ensure we avoid certain chemicals, and to make sure that the product is safe to use. We also make sure that the product is produced in a compliant way for both people and environment," CEO Charlotta Svarfvar states.

The same goes for Outnordic, a group of e-commerce businesses focusing on outdoor activities, including Fjellsport, Outnorth, Skitt Fiske, and Skitt Jakt.

"When choosing a new product for our own brand series, we design it in a sustainable way and find materials that are also sustainable in the future. For us, it is important that the customer can use the product for a long time. Also, we make sure to have spare parts in stock in case the customer loses a part from a tent or wants to be able to repair the product," says Johan Granander, Own Brand Manager at Outnordic.

Outnordic has decided never to fly own brand goods home from the manufacturers unless it is samples. All own brand products are transported long-haul by sea or by train, whichever is the more environmentally friendly choice, and they purchase SMF (Sustainable Marine Fuel) for all their sea freights, reducing CO₂ emissions. When the goods are in stock in the

warehouses in Sweden and Norway, next step is selling the products and delivering the boots or sleeping bag to the consumer in the best possible way for both consumer, product, and climate.

"Our cardboard boxes are made partially from recycled material, plastic bags are made 100 % from recycled plastic, and we are constantly working to reduce the amount of air in packaging and optimizing delivery. We no longer fly goods out to customers - except for orders on Outnorth's international website and to Greenland and Svalbard," Viktor Højman, Sustainability Manager at Outnordic explains.

Returns

The e-commerce businesses do their best to inform consumers about the goods, but returns are inevitable, and the number of returns differs depending on the type of e-commerce business; should the product fit like boots, jackets, and gloves - or should it just match your kitchen.

"We have a fairly low rate of returns in 'Bagaren och Kocken', which is a sign that we buy the right items. Also, we make sure that our products are high quality and last for a very long time. This is part of our strategy and position," says Charlotta Svarfvar.

In Outnordic, most returned products can go straight back to the warehouse and be resold. Other products need minor repair, and some are put up for sale on the reuse channel Reuse on Outnorth's Swedish website in collaboration with reCRQL.

"Customers can easily sell items they have bought from Outnorth. We will also sell items that we have received as returns and cannot sell as new," says Viktor Højman.



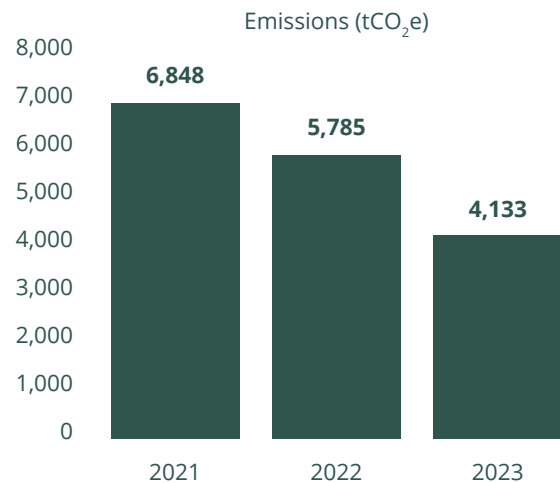
Toys & Covermounts

Actions

During 2023, our media businesses in Story House Egmont have continued the work initiated on reducing GHG emissions from Toys & Covermounts, as well as reducing plastic consumption. Since 2021, we have implemented initiatives to reduce the number of covermounts produced by removing covermounts from specific titles and reusing unsold covermounts. We have also focused our efforts on improving the data foundation and are now able to calculate GHG emissions based on more precise information about the materials used. During 2023, we have also investigated the tradeoffs between reducing GHG emissions and plastic material in covermounts, and we are exploring the role of recycled materials, as well as recyclability and durability, to reduce the environmental impact of our covermounts going forward.

Results

Our GHG emissions related to Toys & Covermounts have decreased by 29% from 2022 to 2023, mainly driven by a decrease in tonnage which can be explained by lower volumes of kids magazines produced but also lighter covermounts. In 2023, the weight of plastic materials in our covermounts was 41% lower than in 2021, which is beyond the target we had set for ourselves by 2024 (-25% compared with 2021). We have used 2023 to test many alternatives to plastic toys in all our markets which explains the large decrease. Not all tests turned out to be viable options, but they have provided us with valuable insights for our future efforts within Toys & Covermounts.



Next steps across scope 3

- Actively work with our new targets within selected scope 3 categories
- Setting scope 3 emission reduction targets aligned with the Paris Agreement



C A S E

Green certified series production

What viewers may not know when they watch the new crime series, *Off the Record* (Graverne), by Nordisk Film Series (part of Nordisk Film Production), is that it is one of the first productions to achieve green film certification in Denmark.

Line producer, Irene Albertsen, and the rest of her production team have taken an innovative step to make *Off the Record* a groundbreaking pilot project for green initiatives in film and TV production. As a result, *Off the Record* has earned a Green Film certification with the highest score ever for a Danish fiction series.

Green Film is a rating system designed to guide producers to work in an environmentally friendly way. Productions are assessed based on a list of criteria including energy savings, transport, and accommodation, catering, waste management, material selection, and communication in terms of best practices.

“On *Off the Record*, we have implemented several green measures which led us to be Green Film Certified,” says Irene.

Transportation was minimized, with the film crew encouraged to bike to work. Filming locations were specifically selected near Nordisk Film in Valby for further convenience, and there was minimal travel. In addition, waste was tackled by swapping out plastic bottles for reusable ones. Energy efficiency was also considered as LED lighting was utilized and recycled furniture was used where possible. Lastly, the catering service mostly offered vegetarian options.

In 2022, Nordisk Film started using Green Producers Tool, which measures CO₂ emissions related to TV and film production. The tool was employed to register all green initiatives on *Off the Record*. These were then compiled into a report, which worked as input for Green Film to issue the Green Film Certification.

“Measuring our impact was enlightening; it showed me how all these changes can make such a big difference,” Irene emphasizes.

Being able to provide a specific carbon footprint for each production is a valuable asset. It helps develop best practices for future productions and helps accommodate the demands of external stakeholders.

Using the Green Producers Tool has proven to be effective in reducing CO₂ emissions. Measuring the CO₂ emissions of the implemented green initiatives showed that the film crew managed to save 57 tons of CO₂ on *Off the Record* — a reduction of 51% compared to the CO₂ emission level with no green initiatives implemented. This is equivalent to flying 400,000 km – enough to circle the Earth ten times¹.

From 2024, Nordisk Film Production plans to integrate the use of the Green Producers Tool into selected future projects and aims to implement it as a standard procedure for more productions in the future.

“There is still room for improvement, of course, but we are proud that we have started the work towards greener productions and achieved good results” Irene says.



¹ Source: Green Producers Club Denmark.

Green partnerships

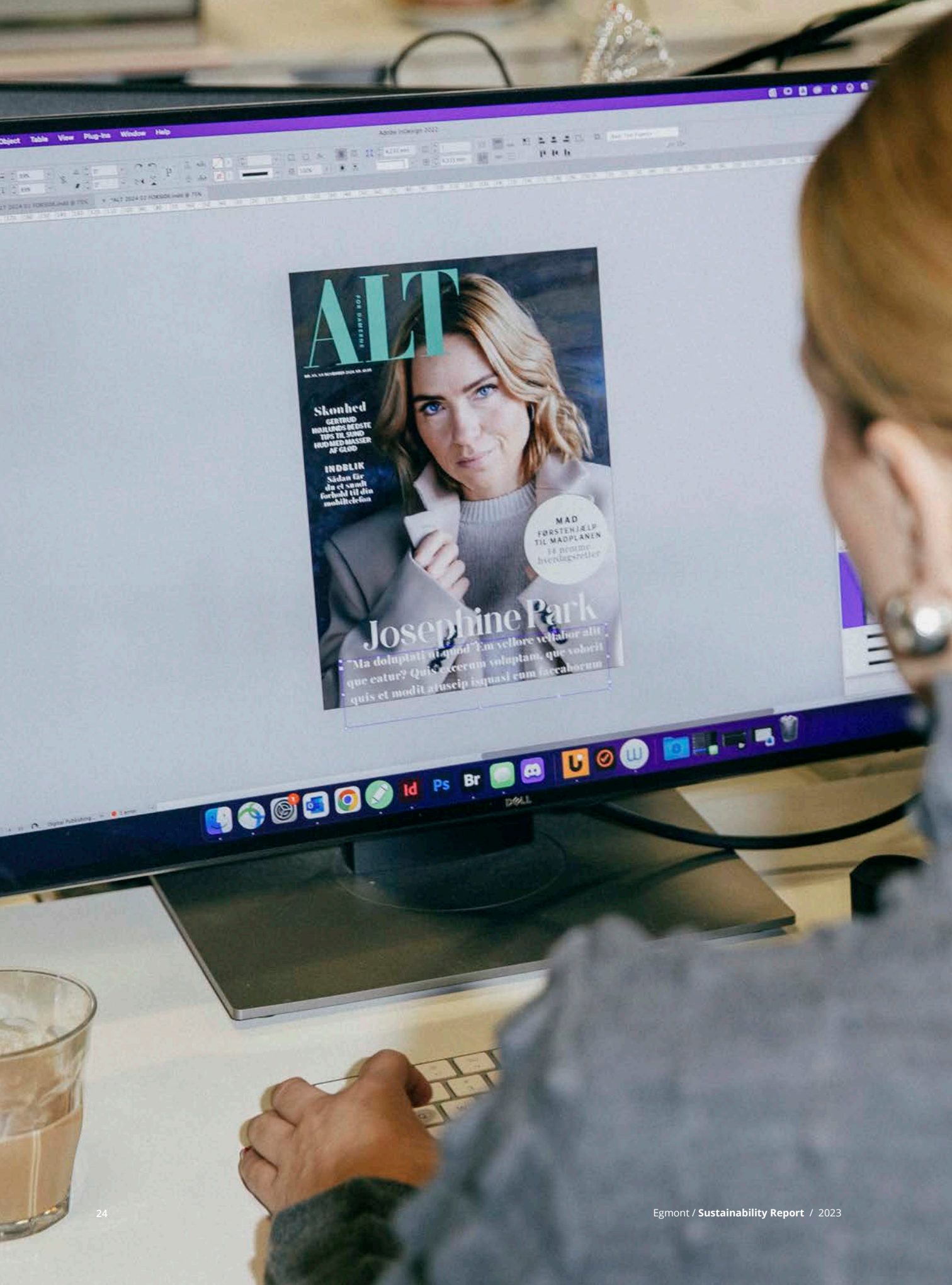
Collaboration and partnerships are key to succeed with the transformation needed to tackle climate change and reduce our impact on the environment. In Egmont, we want to engage with our suppliers and enter into green partnerships to support development of solutions that can help drive the transition in our industries and across our business activities.

During 2023, we have continued to work with suppliers and business partners. Nordisk Film, TV 2 and Story House Egmont (Egmont People) continued to work on promoting sustainable Film and TV productions together with Green Producers Club. Using the tool from Green Producers Club to measure GHG emissions from TV and Film production supports the further development of the tool and will help lead the way in the industry by sharing their knowledge and best practices with other members of the club. In collaboration with the circular economy platform

reCRQL, our e-commerce business Outnorth has developed a reuse channel on their Swedish website, enabling returned or repaired products to be put up for sale again. Through continuous dialogue, Egmont Books and Story House Egmont have built strong relationships with suppliers, discussing how to reduce emissions from Printed Products and improving data quality. Egmont Books have established agreements with their key suppliers on GHG emissions reductions, and initiatives are discussed as part of regular meetings. Nordisk Film Cinemas has started to request GHG emission data from key suppliers as part of its business contracts.

Across Egmont, supplier engagement is seen as key to drive progress in reducing our GHG emissions, and it will become even more central when we expand our work in scope 3.







Embedding responsible business practices



Business ethics and whistleblowing

Egmont is committed to ensuring ethical and responsible conduct in all its operations. Employees, business partners, and third parties can use confidential and secure channels to express concerns about possible serious misconduct via Egmont's whistleblowing system, which can be accessed online by employees via our intranets and by external parties via Egmont.com.

Business Ethics Policy and training

Egmont's Business Ethics Policy incorporates a wide range of legal compliance areas, such as conflicts of interest, gifts and entertainment, anti-corruption, competition law, anti-fraud, marketing law, data protection, piracy and illegal use of content, trade sanctions, human rights, and environment, and it is an overall umbrella to communicate compliance policies and how Egmont expects its managers and employees to act. The business ethics e-learning presents the employees with dilemmas and cases, which they may encounter in their daily business.

Progress in 2023

During 2023, the business ethics e-learning was automatically assigned to new employees, and by the end of December 2023, 96% of the new employees had completed the training. In addition, the training programme has been rolled out to acquired companies, and selected training has been made in certain areas based on a risk assessment.

Egmont has assessed its risks in relation to corruption in the business areas and countries where it operates and in relation to new partners, and the conclusion remains that the overall corruption risk in Egmont is low. Egmont works with manufacturers and other partners in countries with perceived high risk of corruption to ensure that manufacturers are aware of and comply with the regulations on anti-corruption.

Egmont conducts audits and inspections based on general compliance risk assessments. Where relevant, in connection with new partners and M&A transactions, separate due diligence regarding relevant business ethics risks is conducted. During 2023, Egmont conducted separate due diligence in several cases and used external experts where necessary.

Egmont continues its work to ensure that relevant suppliers and business partners sign up to Egmont's Code of Conduct (or have their own code with equivalent standards) that sets out a number of social and legal compliance requirements, including with respect to non-discrimination, compensation, protection of the environment, freedom of association, health and safety, anti-corruption, non-harassment, and hours of work. Egmont has updated relevant implementation guidelines relating to the Code but has in parallel started the work on an updated Code of Conduct to incorporate market practice and new relevant legislation. During 2023, Egmont has not detected any corruption or bribery in Egmont or in the supply chain or received reports of any such incidents.

In 2023, Egmont companies in Norway, as required under the Norwegian Transparency Act, have made public reports on how they work to ensure compliance with the act in relation to human rights and decent working conditions in their own operations, supply chain, and other relevant business relationships.

During 2023, two minor fraud cases were revealed, and relevant follow-up has been made.

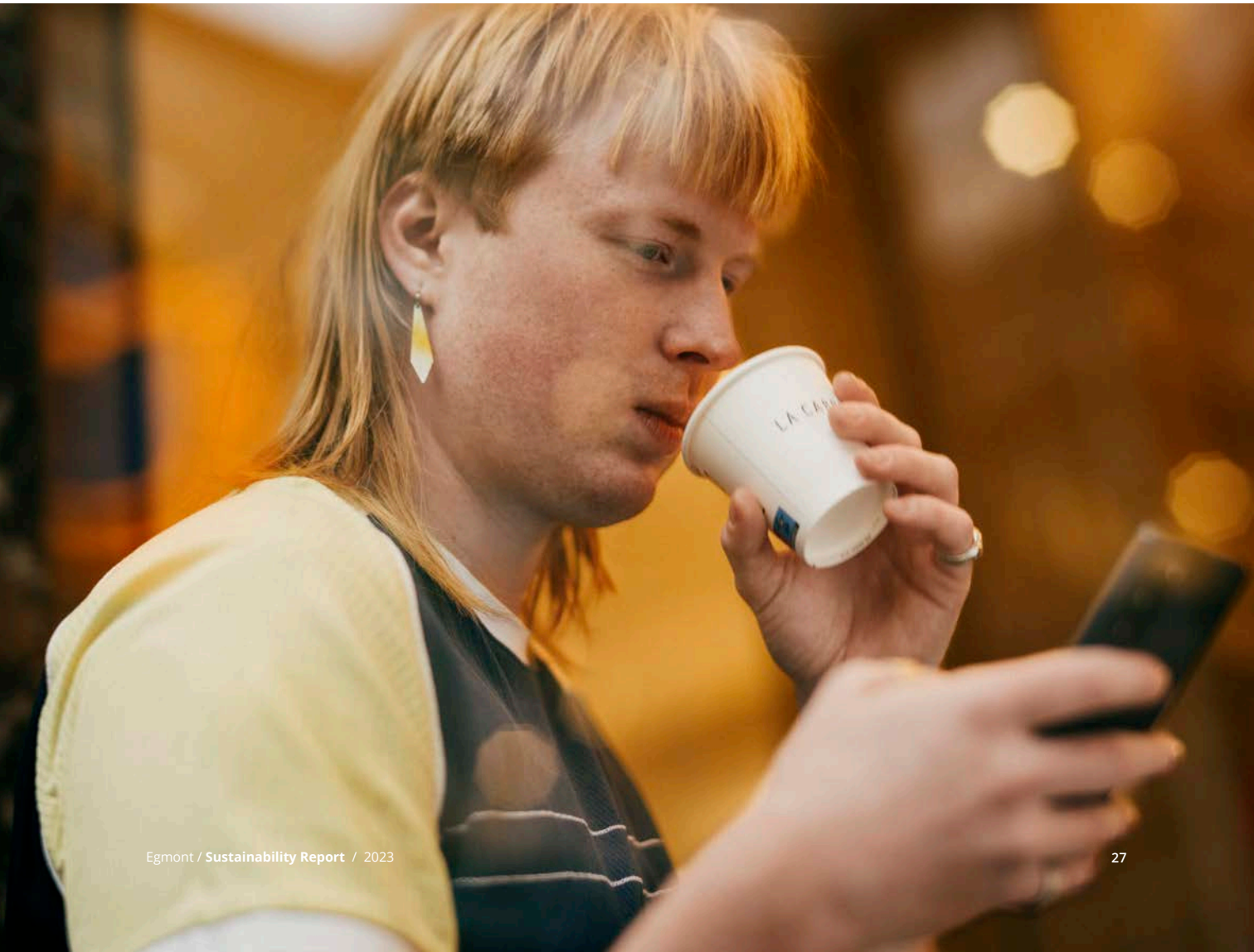


Whistleblowing system - reports and status 2023

In 2023, one whistleblower report was submitted in Egmont's whistleblowing system relating to concerns with the working environment in one business area. The matter was investigated, and no compliance issues were identified. After meetings with the whistleblower, the matter was closed.

Planned actions 2024

Egmont will run refresher business ethics training for all employees and conduct awareness training on selected focus areas, including conflicts of interest and trade sanctions. Egmont will update its Code of Conduct and guidance regarding implementation of the Code into relevant agreements based on a risk assessment. Finally, Egmont will run awareness campaigns to ensure that all employees know where and how to address serious concerns relating to the conduct of managers and other employees in Egmont, including the option to use the whistleblowing system.





Data privacy, ethics, and security

The EU General Data Protection Regulation (GDPR) has been in effect since 25 May 2018 across the EU. Egmont has implemented a group-wide, general framework for ongoing GDPR compliance, and its businesses continue to implement GDPR compliance actively into the way they work. The framework consists of policies, guidelines, and standard documents together with a comprehensive employee training programme.

Egmont has a group-wide Information Security Policy, and all employees are educated in general information security. In addition, IT employees are trained in technical security policy requirements for their specific responsibilities. Training is recurring on a yearly basis and when technical policies are updated.

The Information Security Policy has been successfully adopted, and security controls are optimized to meet the current threat level when necessary. To achieve this, Egmont utilizes modern cloud security to be in control of data and systems in parallel with traditional security controls, including security tests, system updates, and malware prevention.

Egmont is on a journey to further adapt information

security controls for our platforms and data to enhance compliance with the GDPR and ethical use of data.

Egmont has an ethical and responsible approach to the data we handle. Egmont uses data as part of its business strategy and to make innovative solutions and product improvements to the benefit of our customers and partners.

Egmont has introduced a Policy on Data Ethics to ensure that Egmont companies manage data in an ethical way. The principles in the Policy are universal and relevant across Egmont but currently it only applies directly to all 100% owned Danish companies.

The Policy supplements Egmont's general commitment to high business ethics standards and integrity as set out in Egmont's Business Ethics Policy. The policy principles on data ethics are relevant to all categories of data processed in Egmont. This includes personal data as well as other categories of data such as financial and commercial data, including confidential information received from third parties. In addition to Egmont's Policy on Data Ethics, a number of Egmont companies have tailored policies or guidelines for their use of AI.

Policy on Data Ethics

Egmont applies the following principles for ethical data management:

IT Security: We maintain a high level of IT security to protect confidential information and personal data processed by Egmont against unauthorized use and disclosure. Egmont has an Information Security Policy which applies to all group companies, and which sets out a number of IT security requirements and includes relevant mandatory training for all employees.

Openness: We are open and transparent with individuals about the personal data we collect about them, how we use it and share it.

Personal data: Egmont has a Policy on Handling of Personal Data to ensure compliance with relevant data and privacy laws and regulations. It applies to all group companies and includes relevant mandatory training

for all employees. We respect data privacy rights and the integrity and confidentiality of personal data.

Respect for confidentiality: We respect confidential and proprietary information belonging to third parties, including customers, suppliers, etc., and we only use it as allowed or authorized. All employees who have access to personal data or other confidential information are bound by confidentiality undertakings.

Quality: We strive to maintain a high level of data quality. That applies to all data, including the data on which we base our decisions, the data which we publish and on which authorities, customers, suppliers, and other stakeholders rely.

Technology and design: Data processing technologies, including technologies such as machine learning, artificial intelligence and similar, shall be designed and used in respect of the principles of this Policy.



Tax policy and commitment

Egmont has a global tax policy and is committed to:

- being fully compliant with tax laws across all relevant jurisdictions.
- ensuring payment of the taxes we are legally required to pay in all the countries in which we operate.
- applying tax incentives in the manner intended by governments and fiscal authorities.
- conducting transactions between group companies on an arm's length basis and in accordance with OECD principles.

Tax compliance and relationship with tax authorities

Egmont is committed to calculating all taxes correctly in accordance with the law and paying them when due. Statutory tax returns for all taxes should be filed correctly, contain accurate information, and be filed on a timely basis.

Egmont seeks to maintain open and transparent relationships with the tax authorities and other relevant bodies in the jurisdictions in which we operate. Any errors or mistakes in tax returns will be fully disclosed and notified to the relevant tax authority as soon as practicable.

Tax planning

Egmont does not accept aggressive tax planning and seeks to implement structures that are sustainable in the long term. Egmont defines aggressive tax planning as exploitation of technicalities in a tax regime or as inconsistencies between tax regimes in order to reduce tax liability.

International developments and transparency

Egmont continuously monitors international tax legislative developments and initiatives promoting responsible tax behaviour and transparency for taxes and Egmont will comply with the international initiatives implemented such as the OECD initiative on global minimum taxation (Pillar II).



Egmont's Social Compliance Programme

As a signatory to UN Global Compact, Egmont is committed to respecting and protecting human rights and labour rights, in line with the UN Guiding Principles, to continuously identify, mitigate, and remediate adverse human rights impacts from our own operations and our suppliers to ensure that all our products and services are produced in accordance with applicable ethical and social standards.

Assessed on the basis of production processes and sourcing countries, our supply chains related to covermounts, toys, activity products and printed products are perceived as high risk and, consequently,

these areas are the main focus of Egmont's Social Compliance Programme. The Programme was developed to monitor suppliers' performance on human rights, labour rights, decent working environment, and ethics. The Social Compliance Programme is governed by Egmont's Code of Conduct and defines the process and requirements to which our direct suppliers and selected sub-suppliers must comply.

Responsible supply chains

Aim Closely collaborating with relevant suppliers and business partners to ensure that human rights and labour rights are respected in the entire supply chain

Policies

- Egmont's Code of Conduct
- Egmont's Social Compliance Programme

Approach

- Comprehensive risk assessment
- Third party due diligence and audits and remediation action plans
- Inspiration letters on recent regulatory updates and best practices
- Regular dialogue and training sessions

Achievements in 2023

- Continuous improvement on suppliers' performance
- Stable and healthy supplier pool
- Double materiality assessment in relation to Corporate Sustainability Reporting Directive
- Two inspiration letters published to relevant suppliers

Actions planned for 2024

- Continue to work with the suppliers to remediate non-compliance issues and ensure compliance with Egmont's Code of Conduct
- Monitor European legal requirements and international standards on human rights due diligence and implement as required
- Continue preparations for reporting in relation to Corporate Sustainability Reporting Directive
- Continue to build awareness and provide training and inspiration on social compliance related topics for our suppliers and other business partners



Suppliers' performance on social compliance in 2023

	No. of social audit reports & SAQs*	Total findings	Average finding per audit/SAQ
2023	197	558	3.02
2022	176	634	3.43
2021	162	692	3.74

*According to Egmont's country risk assessment and social compliance programme, audits are required for factories located in medium and high-risk countries. SAQ = Egmont Self-Assessment Questionnaire.

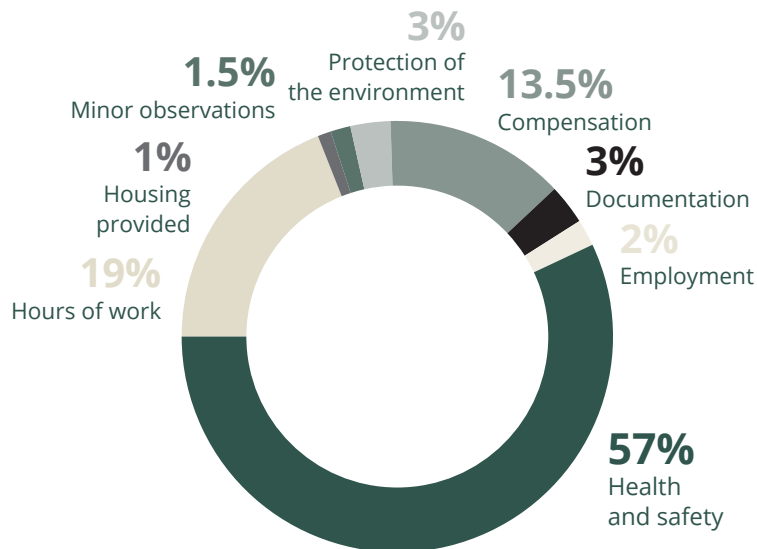
On-site audits alone do not lead to holistic supply chain risk management and development, but we use them as a starting point to assess selected suppliers' focus on their facility's working environment and compliance with applicable human rights standards and local labour legislation. We therefore value the insights gained from the social audits and SAQs and will continue to seek open and transparent dialogue with our suppliers to promote improvements.

During 2023, Egmont has included more factories to the monitoring process, which explains the increase

in reports evaluated. Despite this increase, the number of findings has declined over the past three years, and we can see a general increase in suppliers' compliance level. Other than the matter relating to prepaid employment fees which was corrected as a result of the audit, see case below, none of the findings were relating to zero tolerance matters or other very serious matters.

The detailed distribution of the findings detected through evaluation of social audits/SAQs in 2023 can be seen in the graph below.

Findings from social audits in 2023



Dealing with health and safety issues

Findings within the health and safety category remain the most common and mainly include improper or missing material safety data sheet MSDS and/or label on chemicals used in production processes, missing anti-leakage equipment for chemicals, and personal protective equipment (PPE) not properly worn/used. These health and safety findings are usually caused by workers' lack of safety awareness and understanding of the relevant regulations as

the amount of chemicals used in the workshops are limited. Egmont will continue to work with the relevant suppliers to set up safety procedures and train the workers to be cautious and protect themselves from hazards. Inspiration letters on important health and safety topics will also be distributed to relevant suppliers to raise awareness and provide best practices.



C A S E S

Cooperating for positive changes

In 2023, we unfortunately found a case with potential forced labour risk. The case was related to recruitment fees, i.e. fees for working permit and visa paid by migrant workers in a Thai factory. We received two separate audit reports conducted in June 2023 and August 2023 based on different standards, and both flagged concerns of the issue related to paid recruitment fees. The factory had already been aware of this and had initiated a plan to reimburse the pre-paid recruitment fees to applicable workers, even though such fees are not forbidden by local law. However, the original plan of reimbursement was not accepted by Egmont, as it would take some months before all pre-paid amounts were paid off, and this could limit the workers' freedom of work during those months. We encouraged the factory to pay all the fees immediately and set up a policy and procedure to prevent recruitment fees from happening in future as well.

Based on document reviews, and employee and management representative interviews at the beginning of October 2023, the facility had reimbursed the recruitment fees and other related costs to all relevant immigration workers. In addition, the facility had also implemented a policy of not charging any visa and work permit processing fees for migrant workers and communicated it to all migrant employees via training. We will follow this factory closely to ensure that similar issues do not happen again.

TV 2 is part of Football for the Goals

Football for the Goals is a United Nations initiative that provides a platform for the global football community to engage with and advocate for the Sustainable Development Goals (SDGs). It is a co-operation between national football associations, leagues, clubs, organized fan groups, players, and the media. The initiative has two aims: to achieve a change of behaviour and sustainable practices within football and to use the power of football to increase awareness of the SDGs. TV 2 has contributed with the setting up of an international foundation, project management in the Norwegian pilot project, and visibility in TV 2's editorial broadcasting areas.



Empowering people and communities





Egmont's workforce

Egmont cares about the well-being of its employees, and Egmont believes that a good working life is realised through a combination of having a meaningful job with a strong purpose, great cooperation with colleagues, and good opportunities to develop professionally. Egmont needs to have the right capabilities to stay relevant and a culture where development is paramount. Egmont ensures a learning culture through a mix of professional skills development, acquisition of new competencies, and cultivation of new ways of working.

Egmont's workforce has a balanced gender distribution, with 49% women and 51% men. The average age is 39 years, coupled with an average tenure of seven years. In 2023, Egmont noted an attrition rate of 15%¹.

The workplace culture fosters an environment where employees are valued, respected, encouraged, and empowered to contribute. We embrace differences as strengths. When recruiting or promoting people, we ensure that all qualified candidates are fairly considered.

Development and employee engagement

Egmont considers it of utmost importance that its employees maintain focus on learning and development, thereby fostering both their professional and personal growth. To support this, Egmont provides clear expectations, opportunities for experiential learning on the job, along with a range of different educational initiatives. Some are made available to all employees to meet universal requirements, while others are developed and implemented locally to cater more effectively to specific local demands.

Within all business areas, Egmont offers knowledge-sharing forums, mandatory training sessions, etc. The format varies from leadership development programmes to individual presentations and lectures to panel discussions and conversations with both Egmont colleagues and external guests.

Egmont's businesses offer onboarding including, but not limited to, introductory courses and buddy/mentor arrangements for new employees.

To enable employees to meet expectations, fully realize their potential, and remain engaged, Egmont ensures they receive regular feedback from their leaders. This is accomplished through several means, including regular performance dialogues, routine one-on-one meetings, and ongoing feedback during everyday work.

Egmont's leaders are expected to focus and act on engagement in their teams, and to support that focus Egmont conducts employee engagement surveys twice a year. Engagement is essential for short-term business performance, customer satisfaction and for the long-term sustainability of the company. According to the latest survey in September 2023, Egmont's engagement remains at a high and satisfactory level, both in terms of the participation rate in the survey (87%) and the overall engagement level (8.0 on a 10-point scale). However, the engagement score is 0.2 lower than last year.

At the end of 2023, a total of 822 leaders from across the businesses had completed the 'Committed to Lead' programmes during a period of seven years, and new leaders are lined up for the programmes in 2024. We constantly develop the programmes, and the content is adjusted as the requirements for leadership change. Committed to Lead contains three different programmes: 'Informal Leaders', 'Leading Others' and 'Leading Leaders'. In 2023, there were 147 participants in these programmes with an overall evaluation score of 4.8 on a 5-point scale.

¹ Part-time employees in Nordisk Film Cinemas in Denmark, Norway and Sweden are not included in the numbers for average age, average tenure, and attrition rate.



Workplaces and work environment

Egmont's companies are characterised by strong local brands, diverse cultures, and high levels of autonomy. In general, Egmont's businesses are more governed by context (e.g., employees' understanding of the local goals and culture) than strict one-size-fits-all processes and policies.

Egmont's companies strive to be attractive and modern workplaces that support both consumer focus and new ways of working as well as focus on securing the physical and mental work environment for employees.

Egmont wants to avoid harassment and other offences. Implementation of Egmont's policy on 'Offensive Acts', mandatory training for all employees, guidelines on where and how incidents can be reported, and clear expectations of leaders and HR professionals on how to handle and follow up in such cases have contributed to the number of cases being very low.

Egmont has a compensation and benefits programme which includes family care leave, pension, various insurances (e.g., health insurance), and well-being initiatives. These programmes follow or exceed the legal requirements of the employees' geographic location.

Next steps



In Egmont's commitment to sustaining an attractive, innovative, inclusive workplace, the focus in 2024 will be on fostering inclusion and reducing unconscious bias across our key people processes. These include areas such as recruitment, leadership programmes, and onboarding of new employees.

Modifications to Egmont's leadership programmes and new leadership courses will aim to ensure that leaders can support ongoing organisational changes, while maintaining high performance and psychological safety among employees.



Gender distribution

Egmont's total workforce consists of 49% women and 51% men across 95 companies. The total management pool across the companies also has an equal gender distribution with 42% women and 58% men. The table below shows the gender distribution in management and other employees in the four Egmont divisions and in corporate functions.

		
Books	64%	36%
Management	45%	55%
Other employees	67%	33%
Nordisk Film	45%	55%
Management	35%	65%
Other employees	46%	54%
Story House Egmont	57%	43%
Management	46%	54%
Other employees	59%	41%
TV 2	39%	61%
Management	36%	64%
Other employees	39%	61%
Corporate functions	46%	54%
Management	50%	50%
Other employees	45%	55%
Total	49%	51%
Corporate management	36%	64%
Management	42%	58%
Other employees	51%	49%

Note: Based on HR data from 65 wholly owned and 30 majority-owned companies across Egmont. 'Management' includes all positions with employee responsibilities, except "corporate management" which includes the 14 members of Egmont Corporate Management.



The underrepresented gender

Egmont Fonden's board of directors



According to the charter of Egmont Fonden, appointment to the board of directors takes place when a member's appointment period expires, and board members are appointed for a period of four years. The board members are appointed for up to three ordinary periods of four years and may be appointed for up to two further periods of two years. The charter of Egmont Fonden sets out some requirements to the competences and experience of its board members. The board members are chosen for their overall competencies. It is also recognised that there are benefits of a diverse board in terms of experience, cultural and educational background, and gender, and the board has therefore in the past had targets for the underrepresented gender. From March 2023, the board has had equal gender representation according to Danish law, and it is not relevant to set a target.

Board of directors - other Egmont companies

Egmont's large Danish companies are also covered by the requirements to set targets for the underrepresented gender on the board. The companies are set out in the below table and as they all have equal gender representation on the board, it is not relevant to set a target.

Management

In 2023, Egmont Fonden and Egmont International Holding A/S set the target that by 2028 no gender is underrepresented in the next management levels below the board. With the current composition of corporate management and a gender split of 9 men and 5 women, the target has been reached.

			Equal representation
Egmont Fonden	4 (66.7)	2 (33.3)	✓
Egmont International Holding A/S	4 (66.7)	2 (33.3)	✓
Story House Egmont A/S	2 (66.7)	1 (33.3)	✓
Egmont Printing Service A/S	2 (66.7)	1 (33.3)	✓
Lindhardt & Ringhof Forlag A/S	2 (66.7)	1 (33.3)	✓
Nordisk Film A/S	2 (66.7)	1 (33.3)	✓
Nordisk Film Distribution A/S	2 (66.7)	1 (33.3)	✓
Nordisk Film Biografer A/S	2 (66.7)	1 (33.3)	✓
Nordisk Games A/S	2 (50)	2 (50)	✓

The numbers include board members elected by the annual meeting and not employee representatives



Egmont's grants

In Scandinavia, there is equal access to education – but not equal opportunities to complete it. Children at risk have significantly lower chances of finishing primary school. The differences that exist between children early on in their lives form the basis for life-long inequity.

As a foundation, Egmont supports children and young people at risk. Those growing up in poverty or placed in foster care, those who find learning particularly difficult, those who live with illness or social challenges. We support children from birth until they are well underway with a youth education. We work for all children and young people to have a safe start in life, thrive, learn through school, and be part of their respective children's communities. Our aim is to ensure that everyone completes their youth education, which will prepare them well for creating a fulfilling life.

In 2023, Egmont granted a total of EUR 14.9 million via 28 grants. In sum, since 1920 approx. EUR 520 million (present value) has been donated.

New signature programme

In 2023, Egmont initiated a new signature project, SygtStærk (StayStrong), supporting seriously ill young people in completing a youth education. With a strong focus on involving the young people themselves, SygtStærk has launched a life skills program, a mentoring scheme, and a social community in 2023. The vision for SygtStærk is to expand nationwide.

Mathematics support

One of seven pupils in primary school struggle with mathematics. The 2023 Egmont Report documented that the difficulties have severe negative long-term consequences in terms of completing an education and finding a job. The Egmont Report received substantial media coverage and, together with children featured in the report, Egmont's Grants Administration

met with the Danish Minister of Children and Education to advocate for more and better support for children with math difficulties.

Consequences of child poverty

Based on Egmont's legacy of combating child poverty, we focused on the negative consequences of growing up in poverty in 2023. Egmont launched a new report on the lack of positive activities for children in poverty during their summer vacation and debated the issue at the Danish Folkemødet (People's Meeting). Through the Helping Hand Programme Egmont provided direct support for children and young people at risk through partnership organisations in Denmark, Norway, and Sweden.

New grants for paternity leave

Based on knowledge from the Egmont Rapport 2022, Egmont donated four grants in 2023 supporting paternity leave. The aim of these grants is to strengthen the early attachment between the infant and the father to benefit the child's early development and well-being.

Activities in Sweden and Norway

Since 2009, Egmont has had charitable activities in Norway and from 2021 also in Sweden. In 2023, support was granted in Norway through the Helping Hand Programme and a partnership with Kronprinsparets Fond (The Crown Prince Couple's Foundation). In Sweden, Berätterministeriet, that aims to strengthen pupils at the most vulnerable schools in Malmö, was launched..



Nordisk Film Fonden

Nordisk Film Fonden is part of the Egmont foundation and contributes to the creation of world-class film talents. In 2023, Nordisk Film Fonden donated EUR 0.9 million. The scholarships Store Isbjørn and Lille Isbjørn were awarded to 67 film talents to study abroad; and for initiatives stimulating the cinematic narrative and use of virtual production tools donations included the film tech conference Picture This_23, the talent

programme Super16, Vizarts AI & Filmmaking Labs, and a new initiative in Norway, the Polar Bear's Writing Camp. The Nordisk Film Award in Denmark went to documentary director Lea Glob and in Norway to scriptwriter/director Kristoffer Borgli. The Balling Award went to scriptwriter Mette Heeno and the Ove Sprogøe Award to actor Jacob Lohmann.





Egmont's carbon accounting policies

The aim for Egmont's carbon accounting is twofold. First, it provides an overview of GHG emissions generated by our activities and insight into our carbon hotspots. Second, it serves as a foundation for us to assess and monitor concrete measures to reduce the emissions generated by our activities.

Carbon accounting standard

Egmont's carbon account follows the international standard: A Corporate Accounting and Reporting Standard, developed by the Greenhouse Gas Protocol Initiative (GHG protocol), and connected guidelines.

Greenhouse gases

We report our emissions for all greenhouse gases covered by the Kyoto Protocol, and our emission numbers are expressed in CO₂-equivalent.

Organisational boundaries

We consolidate our carbon account using the operational control approach. This means that we include all the legal entities in the Egmont Group where Egmont has operational control in our carbon account. We determine operational control based on majority of voting rights on the board. In 2023, our organisational boundaries were updated in relation to acquisitions, divestments, and other changes in the group structure. 118 individual legal entities are included in our carbon account for 2023 (against 110 in 2022).

Division	Number of legal entities included
Corporate	5
Egmont Books	7
Nordisk Film	48
TV 2	13
Story House Egmont	45
Total	118



Operational boundaries

We currently account for and report emissions in Scope 1, Scope 2, and selected Scope 3 categories.

- **Scope 1** is the direct emissions stemming from owned or controlled sources.
- **Scope 2** consists of indirect emissions from the generation of purchased energy.
- **Scope 3** includes all other indirect emissions that occur in an organisation's value chain.

We lease most company cars, and we are tenants in many of the facilities we occupy. We perceive that we have operational control over these assets, and on that basis, we have decided to include these emissions in Scope 1 and Scope 2.

In 2019, based on a qualitative screening of our business areas, we decided to include the below emissions sources in our carbon account:

- Scope 3, category 1 (Purchased goods and services): printed products, covermounts & toys, packaging.
- Scope 3, category 4 (Upstream transportation and logistics): goods transportation.
- Scope 3, category 6 (Business travel): business flights.

The business flight category is relevant for all our business areas, whereas the other Scope 3 emission sources are not equally relevant for all our business areas. The below table displays what emission sources are relevant for each business area.

Business areas	Printed products	Covermounts & Toys	Packaging	Goods transportation
Books and education	X		X	X
Magazines	X	X	X	X
TV				
Film				
Cinemas			X	X
Games				
Interactive				X
Gift card solutions				X
E-commerce			X	X
Agencies				

Why do these Scope 3 emission sources matter to Egmont?

Printed products

The European pulp and paper industry is the 4th largest industrial energy user in the EU. Despite structural decline in printed products there is still a demand for printed products, and paper is still important to Egmont's publishing entities and a large emission contributor for the business areas Magazines and Books.

Goods transportation

Freight transportation and logistics activities contribute 8–10% of global carbon emissions. Without intervention, freight transport emissions will more than double by 2050. Many of our business areas rely on the transportation of goods: magazines, books, distribution, cinemas, and e-commerce.

Covermounts & toys

The majority of Egmont's covermounts and toys include plastic in their composition. Plastic pollution has emerged as a central sustainability issue in the past few years, and there is a call for action from consumers, customers, regulators, and scientists, to increase plastic circularity and reduce plastic pollution.

Packaging

The volume of generated packaging waste is on the rise. In the EU, it increased 20% between 2009 and 2020. This also means that more natural resources are being used in packaging. For instance, plastic packaging is a key driver of plastic demand globally - it represents approximately 40% of total demand for plastic manufacturing in Europe. In Egmont, we want to improve both the sustainability of our packaging and to rethink our packaging systems, especially within our e-commerce and magazine businesses.

Business flights

Business flights represent most of our emissions from our business travel, and it is an area which attracts public attention. While some travels are critical for our business activities, in some cases, they could be avoided or replaced by lower-carbon travel options while maintaining a healthy business.

Electricity consumption and green electricity

We report our emissions from electricity (scope 2) by using both the location-based and market-based approach. The market-based approach allows us to capture the effect of our efforts to match our electricity consumption with renewable electricity.

Our renewable electricity sourcing consists of a mix of renewable electricity sourced by our companies (often green tariffs) and green electricity certificates sourced centrally (PPA and other sources). Centrally, we purchase Guarantees of Origin to match our remaining electricity consumption in the European Union, Renewable Energy Certificates (RECs) in the USA and Canada, and Renewable Energy Guarantees of Origin (REGOs) in the UK.

Base years and historical emission recalculation

We use two different base years in our carbon account, due to COVID-19 and significant methodological changes. The base year for emissions from scope 1 and 2 and business flights in scope 3 is 2019, because COVID-19 significantly affected our emission levels in 2020 and 2021 which means that they are not representative of Egmont's usual emission levels. Due to significant changes in accounting methods implemented in 2021, and the difficulty of applying these changes to historical emissions, we use 2021 as our base year for the remaining scope 3 emissions. We have established rules triggering the recalculation of our historical emissions when facing significant changes (e.g., acquisition and divestment), and we use 5% as a significance threshold. Additionally, we refine our carbon account on a continuous basis. If we find mistakes in historical emissions, we will include the most updated numbers in our sustainability report. In 2023, the emission calculation methods in most of our scope 3 categories have been updated with a significant impact on our emissions. We have recalculated our historical emissions in scope 3 which is why they differ from the figures reported in our Sustainability Report 2022.

Our renewable electricity share is not adjusted historically for changes triggering a recalculation of our historical electricity consumption and GHG emissions.

Brief insights into selected emission calculation methods

We use the external CEMAsys platform to compile our carbon account and convert activity data into GHG emissions. For Scope 1, Scope 2, “covermounts and toys” and “packaging”, we calculate emissions using the CEMAsys database of emission factors. The CEMAsys database is a compilation of emission factors from IEA, AIB, DEFRA, and other independent studies. Activity data are typically expressed in kWh, liters, kilograms, or spending when no physical consumption data is available. For printed products, we collect data from our paper suppliers and printers (ClimateCalc, Paper Profile documentation, and other

systems). For business flights, we calculate our emissions, using data provided by our travel agencies and spend data. For goods transportation, we collect emission data provided from our transport partners, and we use the transport work method or tailored upscaling approach when we cannot obtain data from our transport partners. Business flights and goods transportation emissions are by default calculated on a well-to-wheel basis. The methodology used for our carbon emission calculation is extensively documented in Egmont’s internal accounting manual.

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An aerial photograph of a vast, dense forest of evergreen trees. The trees are a mix of dark and light green, creating a textured canopy. In the bottom right corner, a paved road with a white line curves through the forest, leading the eye towards the bottom right edge of the frame.

EGMONT

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Questions or comments related to this report, please contact Egmont Corporate Sustainability & Legal Compliance at CSR@egmont.com

Photos: Klaus Rudbæk, Kasper Løftgaard, Mads Siggard, Getty Images