

An aerial photograph of a dense, lush green forest, likely a coniferous forest, filling the entire background of the page. The trees are tightly packed, creating a rich, textured canopy of various shades of green.

# CSR Report

Communication on Progress / 2021

**EGMONT**

*We bring stories to life*



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This report includes Egmont's mandatory CSR reporting in accordance with article 99a, and Egmont's report on targets and policy with respect to the underrepresented gender in accordance with article 99b and statement on data ethics in accordance with article 99d of the Danish Financial Statements Act (Årsregnskabsloven).  
The report also serves as our Communication on Progress (COP) to the UN Global Compact.

# Statement from CEO



With Egmont's 2025 business strategy *Grow with The Modern Consumer – Scale Up & Stand Out*, we reaffirm our commitment to societal responsibility. The strategy has a significant environmental focus, which we call *Go Greener fast*.

With *Go Greener fast* we wish to contribute to a low-carbon economy and a better planet for future generations.

In 2021, Egmont was part of an investment to start building a new solar park in Denmark. This is first step to reach our target of investing in 100% green electricity from 2022. During the next years we will enter into green partnerships to further support the green agenda.

In Egmont, we believe that our commitment to act responsibly and to address our sustainability impacts is essential for being a strong and trusted media group.

This report describes how we are progressing in our work not only with our climate efforts, but also with our social and ethical commitments and results.

**Steffen Kragh**  
*President & CEO of Egmont*





# Egmont at a glance

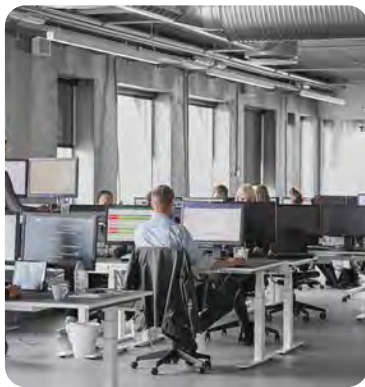
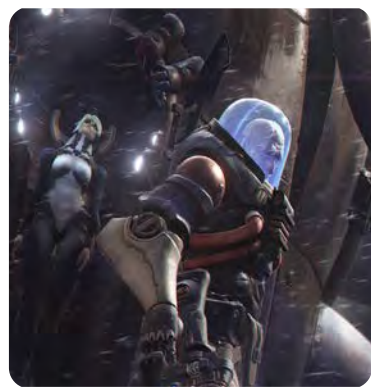
Egmont is a leading Nordic media group focused on storytelling and journalism. We apply technology and skills to create great content and user excellence across platforms. We are a group of 150 companies divided in four divisions: TV 2, Nordisk Film, Story House Egmont, and Books.

Egmont is a foundation, and all profits are used to develop our media business in many countries and to support children and young people in Scandinavia.

Egmont's 2025 strategy is *Grow with the Modern Consumer – Scale Up & Stand Out*. Egmont launched our 2025 strategy with huge commitment to journalism, storytelling and our business in general. This commitment means that we will invest DKK 50 billion in content over a five year period. We will grow our revenue by 75% to DKK 20 billion in 2025, improve our sustainability, and increase our charitable donations by 50%.

It is the skills, creativity, entrepreneurship and spirit of Egmont's employees that will make the difference in the 2025 strategy.

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



# Egmont's approach to sustainability

Egmont wants to embed responsible business practices throughout our organisation, and empower our people and communities. These ambitions in turn support the UN Sustainable Development Goals (SDGs) and direct our approach to manage the most significant environmental and social issues from the business processes. We have identified the issues in the figure on the next page to be material to us. The aim with our sustainability work is to mitigate the risks, and pursue relevant business opportunities.

Egmont's climate strategy, *Go Greener fast*, is part of Egmont's business strategy and describes Egmont's ambitions to contribute to a low-carbon economy and a better planet for future generations. During 2021, we have continued to expand our climate account with additional business areas and better-quality data in order to prioritise and define targets across Egmont's many businesses.

Responsibility and integrity are some of our core values when it comes to being a publicist voice and in the way we conduct our business. Egmont's Business Ethics Policy and Supplier Code of Conduct provide clear guidance for our employees and business partners. We have continued our focus on data protection and data ethics with the introduction of a Data Ethics Policy.

Our workforce is Egmont's most valuable asset, and we continue to invest in personal and professional development of our employees. We strive to foster an inclusive and diverse environment where everyone treats each other with dignity and respect. Egmont continued to focus on non-harassment in the workplace and issued a Policy on Offensive Acts to emphasise our zero-tolerance to any form of harassment.

Egmont's work with sustainability is based on a foundation of group wide and local policies, good accounting and reporting practices, relevant risk and control processes, while maintaining an effective governance and decision-making structure.

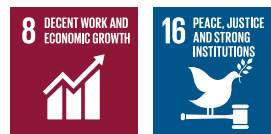
## Empowering people and communities



**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 youngsters as well as young talents

## Embedding responsible business practices



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

## Go Greener fast



**Climate change and circular economy:** Reducing our greenhouse gas (GHG) emissions from own operations and moving towards more sustainable solutions in our high emission scope 3 categories: Printed products, goods transportations, packaging and covermounts and toys as well as entering into green partnerships











# Go Greener fast





# Our carbon account

In 2021, we have gained operational control over new entities. Our climate account now includes 90 entities as opposed to 80 in 2020 covering entities representing 99.7% of Egmont's consolidated turnover in 2021. The 2021 carbon accounting reflects an enhanced data quality in each category. In addition, we have completed a validation round of the historical data in our carbon accounting to ensure that we have a better foundation to track all of our future emissions against.

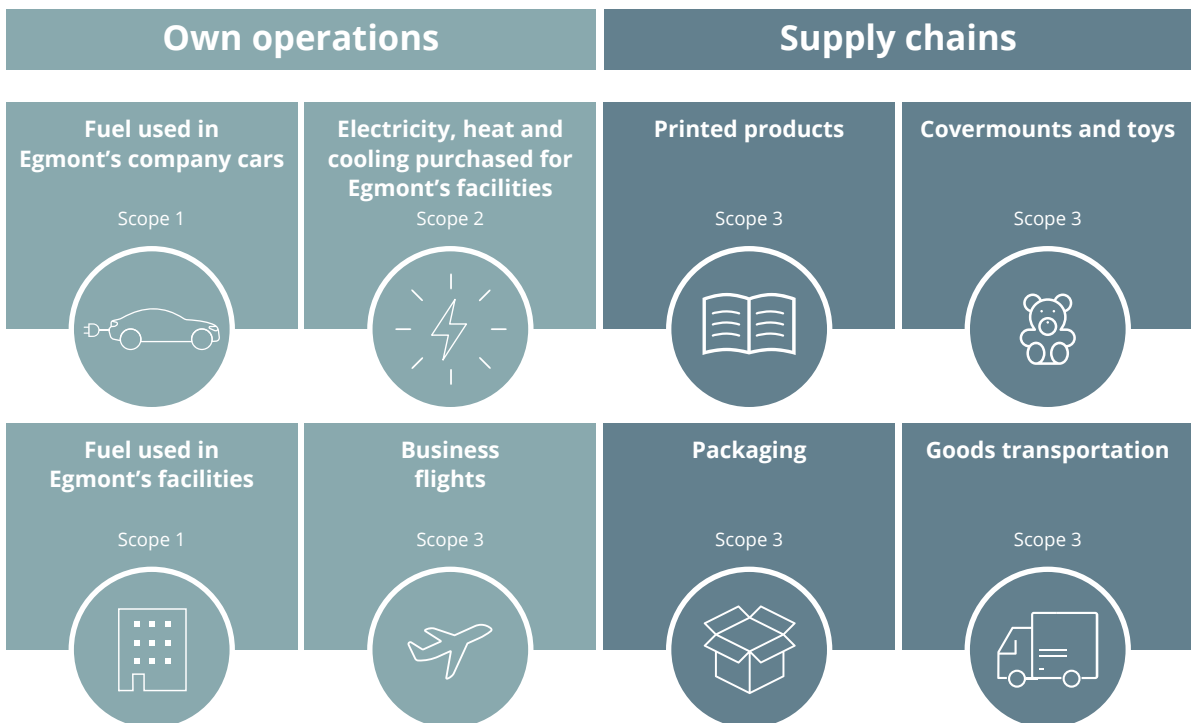
Egmont has divided its emissions in two overall categories: our own operations, which includes company cars, utilities and business flights and our supply chains, which includes the following emission categories: printed products, goods transportation, covermounts and toys, and packaging, cf. below figure.

We report our emissions using the Greenhouse Gas Protocol, which includes three scopes of carbon emissions.

**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 organization's value chain.







In 2021, Egmont's CO<sub>2</sub> emissions in own operations and selected supply chain categories amounted to approx. 68,000 tCO<sub>2</sub>, corresponding to the annual carbon footprint of approx. 10,100 Europeans, see table below.

The account confirms that the main part - 82% in 2021 - of Egmont's CO<sub>2</sub> emissions is related to activities in our supply chains. Due to improvements in the data quality and widening of the scope of emissions, we have chosen to use 2021 as the new base year for our supply chain emission categories.

However, 2019 remains our base year for own operations emission categories, as these have been significantly impacted by Covid-19, and 2021 would not be a suitable base year. To reflect the widening of the organisational boundaries, we have recalculated our historical emissions to be comparable year-to-year for own operations. This has resulted in higher emissions from own operations in comparison with last year's report.

## Absolute and relative CO<sub>2</sub> emissions across own operations and supply chain categories

All emissions are in tCO <sub>2</sub>		GHG Protocol	2019	2020	2021	2021 % of total
<b>Own operations</b>	Fuel used in Egmont's company cars	Scope 1	583	451	474	1%
	Fuel used in Egmont's facilities	Scope 1	402	228	283	1%
	Electricity, heat & cooling purchased for Egmont's facilities (location-based)	Scope 2	4,356	3,462	2,530	
	Electricity, heat & cooling purchased for Egmont's facilities (market-based)	Scope 2	14,070	13,006	9,815	14%
	Business flights	Scope 3	6,270	1,430	1,324	2%
	<b>Own operations (market-based)*</b>		<b>21,325</b>	<b>15,115</b>	<b>11,897</b>	<b>18%</b>
<b>Supply chains*</b>	Printed products	Scope 3			35,312	52%
	Goods transportation	Scope 3			10,973	16%
	Covermounts & Toys	Scope 3			6,848	10%
	Packaging	Scope 3			2,918	4%
	<b>Supply chains</b>				<b>56,052</b>	<b>82%</b>
<b>Total (market-based)</b>					<b>67,949</b>	<b>100%</b>

\*We use the market-based approach to account for electricity emissions to capture our efforts to invest in green electricity (see p. 12 for more details)



# Carbon neutral in own operations

In 2020, Egmont set a target to become carbon neutral in own operations already from 2021. This has allowed us to mobilise our organization, show the way forward and not the least to gain new insight on our emissions, which will help us in our further work. For now, we have compensated our unabated emissions. However, going forward we will work to reduce the emissions from our own operations by investing in low-carbon energy, looking into the possibilities for a low-carbon car fleet, and work with energy efficiencies in our facilities. As a result of these as well as coming efforts we will reduce the emissions in the coming years, resulting in less compensation over time.

Since 2019, our emissions from own operations have decreased by 44% to a total of approx. 12.000 tCO<sub>2</sub> in 2021. This is a to a large extent due to effect of Covid-19, as we traveled less and had facilities closed down for long periods (such as Nordisk Film cinemas).

Electricity consumption drives a substantial part of our own operations' emissions, 72% in 2021. From 2022, we will invest in 100% green electricity to tackle

our emissions from electricity consumption. As a start, we will rely on guarantees of origin in compliance with the Greenhouse Gas Protocol, but our long-term plan is to invest in green electricity projects directly, which contribute to the decarbonisation of the power sector in a sustainable way. We have already invested in a new solar park in Denmark.

During 2022, we will explore the opportunity for PPAs and other best-in-class green electricity instruments in our other two large markets, Sweden, and Norway. Besides investing in green electricity, we are investigating where we have opportunities to reduce our energy consumptions.

Our business flights emissions have decreased significantly during the Covid-19 pandemic. We expect that they will increase again going forward as traveling becomes possible again, although not to 2019 level, as we are planning to update our travel policy and encourage new ways of working and communicating relying less on travels.

## Own operations in brief

### What we have done in 2021

- Invested in Danish solar park to start operating in 2023, accounting for the main part of our electricity consumption in Danish operations
- Compensated our emissions in own operations (certified Rimba Raya project) and thereby become carbon neutral from 2021

### Our plans for 2022

- Explore opportunities to reduce energy consumption and set a target towards 2025
- Invest in 100% green electricity from 2022 (guarantees of origin as a start)
- Explore opportunities to invest in PPA or other best-in-class green electricity projects in Sweden and Norway
- Update our business cars and travel policies

### What we aim for 2025+

- Main part of Egmont's total electricity consumption covered by best-in-class green electricity investments
- Achieve energy efficiencies





## # | Rimba Raya project to compensate our emissions and become carbon neutral

In 2021, Egmont invested in the Rimba Raya project which fights deforestation in Indonesia. Carbon credits from this certified, best-in-class project is one of Egmont's short-term measures to become carbon neutral in own operations. It's important to note that compensation is not part of Egmont's long-term ambition, and we expect to buy less carbon credits over time and only for the residual CO<sub>2</sub> emissions that we cannot avoid.

Rimba Raya is located on Borneo, and the project generates carbon credits from approx. 47,000 Ha of peat swamp forest, avoiding nearly 130 million tons of carbon emission. Rimba Raya is also the world's largest privately funded orangutan sanctuary.

In addition, the project has a number of social benefits: Child education, community utilities, women empowerment, health services, and training of local farmers.



## # | Investing in solar energy as step towards 100% green electricity

In 2021, Egmont signed a Power Purchasing Agreement (PPA) and joined forces with several other Danish companies to build a solar park in Northern Jutland. The park will be operational in 2023 and will provide additional capacity of green electricity in the Danish grid. It will produce approx. 70,000 MWh annually which corresponds to the energy consumption of 18,000 households. This is an important step on our road to 100% green electricity.

When PPAs were first set up, they were mainly suitable for companies consuming large amounts of electricity, like production companies. With this

innovative type of PPAs, companies like Egmont can join their electricity needs with other corporate electricity buyers and make a difference together. We know that cooperation is fundamental in order to move forward with the green transition. We are proud to lead by example with our newly signed PPA, showing how more companies can pull together and contribute to the green transition.

Our ambition is that, over the years, we will invest further in best-in-class green electricity projects, working with three key criteria: compliance, impact, and sustainability.

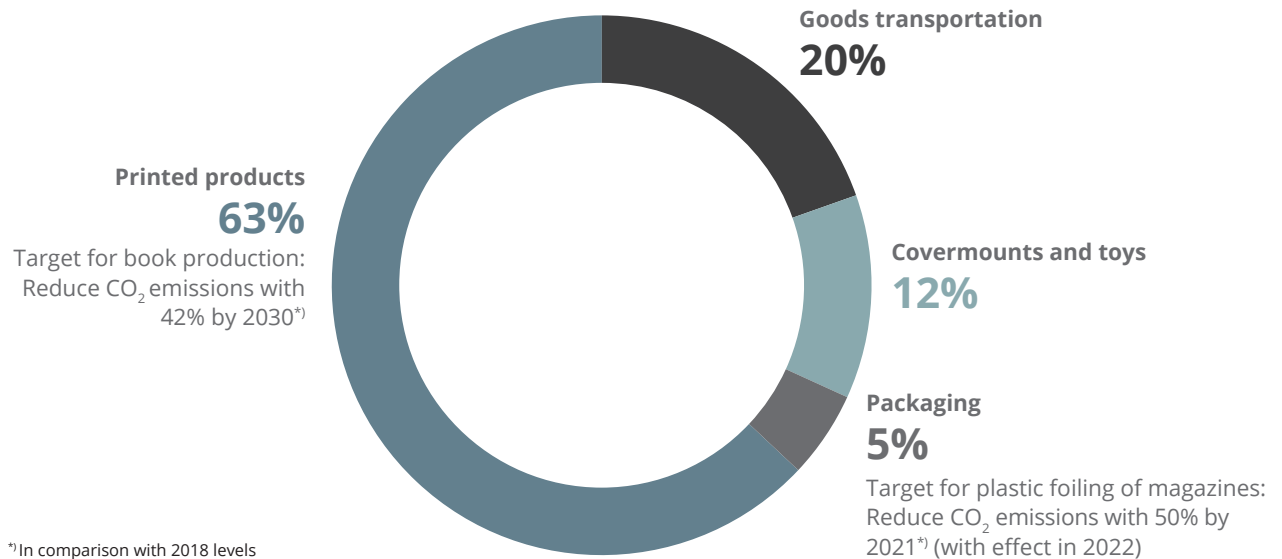


# Sustainable supply chain solutions

Our four selected supply chain categories: printed products, covermounts and toys, goods transportation and packaging are the categories where we expected significant emissions, and for which we could already establish a baseline. In particular, emissions from goods transportation and packaging are expected to increase with Egmont's growing e-commerce businesses. External data hosting was part of our preliminary screening but it was not found to be a significant emission source, which explains why we have not included it as a supply chain category for now.

During 2021, we have made good progress in understanding carbon emissions in these categories, which enables us to continue the work to identify opportunities to reduce carbon emissions. Over time, we will expand with additional emissions categories, but we have started our work in the categories where we can make the biggest impact. The relative size of our four prioritised categories is shown below.

## Relative CO<sub>2</sub> emissions across prioritised supply chain categories



## # | Breaking new ground

Outnorth in Sweden is part of Egmont's growing e-commerce business. Outnorth's ambition is to become climate neutral by 2028. Their main climate focus is centred around the supply chain of producing own brand outdoor clothes and equipment. In close dialogue with their suppliers in Asia, Outnorth has mapped their climate impact within energy, transport, and raw materials. This mapping exercise has not only given Outnorth useful data and an important insight in relevant scope 3 emissions - it has also been a way to raise awareness and educate suppliers towards more sustainable choices.

Stefan Gustafsson, Private Labels and Sustainability Manager, Outnorth AB: *"In the discussion with our suppliers, we have found that no one has done this before... so we are breaking new ground here and that makes us proud."*

Outnorth also focuses on sustainability in own operations. During 2021, a new and more energy efficient warehouse in Göteborg was put into operation with solar panels on the roof, generating electricity to operate the warehouse. In addition, Outnorth and its Norwegian sister company Fjellsport have implemented a travel policy which states that no business flights are allowed if it is possible to cover the distance by train in five hours or less.





## Printed products

The European pulp and paper industry is the 4<sup>th</sup> 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 main emission contributor for the business areas Magazines and Books. The primary part of all Egmont's books and magazines are printed on FSC certified paper, which guarantees that our paper comes from responsible logging. Egmont's ambition is to find the most sustainable way to produce printed products.

During 2021, a working group across Egmont's publishing entities was established to identify how to measure and reduce CO<sub>2</sub> emissions in the supply chain of a printed product. Until 2020, only emissions from paper production were captured in Egmont's carbon accounting – paper typically accounts for 50-70% of carbon emissions in a printed product's supply chain. As of 2021, the printed products emission category in Egmont's carbon account will include emissions from paper production as well as paper transport, and printing processes.

Egmont's two publishing houses Cappelen Damm and Lindhardt & Ringhof have worked with printers for many years. They have built a strong data foundation to track and monitor their emissions from printed products, and they have set a target to reduce CO<sub>2</sub> emissions related to the production of books by 42% by 2030 (in comparison with 2018 levels).

Story House Egmont media, our magazine business, has developed an extensive database to track emissions from printed products. Based on these data, they have been able to identify what paper qualities contribute most to their emissions and have started a dialogue with their paper suppliers. Story House Egmont media has also established a dialogue with their printers on carbon emissions. Emission tracking currently lacks standardisation at the printing houses, and this will require a continuous dialogue with our printers to ensure consistent tracking and to identify reduction opportunities going forward. Story House Egmont media expects to set reduction targets for their printed products during 2022.



## # | From forest to book

Cappelen Damm is Norway's largest publisher and has had a long-term focus on sustainability. Their ambition is to become the most sustainable publisher in Norway.

They are working to reduce their direct emissions. However, the main carbon footprint in book production comes from the indirect emissions related to purchasing of paper and the printing of books. Therefore, Cappelen Damm is also working with suppliers to make book production more sustainable and to find joint climate commitments.

Cappelen Damm has assessed their entire value chain to identify climate hotspots and necessary actions. They call it "From forest to book". That means sustainable forestry, certified paper produced primarily in Scandinavia, a unique bookbinding method and increasing the number of characters per page in the books.

Their target is a 42% reduction of CO<sub>2</sub> emissions related to book production in 2030, and 84% in 2040 (in comparison with 2018 levels). Their target for own operations is to become climate neutral by 2026.

Roy Jensrud, Production Director, Cappelen Damm:  
*"Consumers assume that we deliver sustainable products. Trust is the new currency, and at Cappelen Damm we take responsibility for the value chain of the book all the way from writer to reader."*

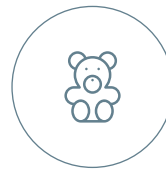


## # | Sustainable toys for children

Story House Egmont aims to reduce the use of plastic in covermounts (toys attached to magazine) and packaging of children's magazines.

Covermounts are designed to build engagement and to enhance the reading experience for the child. However, consumer concerns about plastic and the covermounts' climate impact has led to different sustainability initiatives. In addition to looking at different kinds of materials and recyclability for covermounts, the kid's magazine business is also working to improve the durability and longevity of the covermounts.

Story House Egmont UK has established the Children's Publisher Forum where the industry is working together to ensure sustainability and is a member of Wastebuster's Recycle to Read Programme, which aims to educate children on recycling and establish an infrastructure to recycle toys at the end of life.



## Covermounts and 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. During 2021, we have explored opportunities for plastic reductions related to covermounts and toys. The kid's magazine business has also explored options to increase the use of recyclable plastic (such as PE, PP, and PET). The question of alternative materials, other than plastic, and their impact on our carbon emissions, is also a central topic for this work since we intend to reduce carbon emissions in our supply chains. During 2021, our teams have been in dialogue with their suppliers to access more precise information on materials, design features, and manufacturing processes.

Previously, in Egmont's carbon accounting, only plastic was included for reporting on covermounts and toys, whereas from 2021, all materials are included in the carbon accounting. This is to monitor the effect of reducing plastic and using other materials on our carbon emissions. Story House Egmont is developing a life cycle screening tool to assess and compare the carbon footprint of different covermount options based on material selection, manufacturing processes, possibility for disassembly, and waste handling options.

During 2022, Story House Egmont will work further on developing a factual decision basis to deliver on the double-objective to reduce plastic pollution and carbon emissions from covermounts and toys.





## Goods transportation

Freight transportation and logistics activities contribute with 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. We currently track carbon emissions resulting from transportation of goods, with a primary focus on transport where risks and costs are carried by an Egmont entity. We collect annual carbon emission reports from our transport partners and estimate emissions from goods transportation when we cannot receive information from our partners. We know that there is some work ahead to harmonize the way we measure goods transportation emissions, and we want to make sure that our transport partners align with best practices, while emission tracking becomes more and more standardized in the transport and logistics sector.

Going forward, we plan to explore the range of options available to us to cut down carbon emissions from goods transportation activities, in dialogue with our transport partners, suppliers, customers, and internal stakeholders. For instance, we are currently exploring the potential of marine biofuel as a lever to decarbonize inbound transportation activities. In our distribution business, we are looking into our customers' ordering behaviour to identify opportunities to cut carbon emissions from transport going forward.

In 2022, we will form a working group with the teams for which goods transportation is relevant. It will be a forum to discuss how to measure and track our emissions from goods transportation, as well as opportunities, progress, and challenges to reduce emissions from goods transportation in our different business areas.



## Packaging

The volume of generated packaging waste is on the rise. In the EU, it increased 20% between 2009 and 2019. 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 magazines businesses. While the printed media business is well under way with rethinking magazines packaging materials, the e-commerce business has focused on how to minimise the packaging size to fit the product, leaving as little air as possible. A new project organization has been formed across the e-commerce businesses to collaborate on finding the most sustainable packaging solutions.



## # | Reducing plastic foils around magazines

Story House Egmont has put full speed on their transformation and has set quantitative targets for the use of plastic foils around their magazines. The target is to reduce 50% of tonnes plastic foil by 2021 compared to 2018 level. The plastic foils serve a practical purpose, to ensure that the magazines or covermounts (toys attached to kid's magazines) are not damaged under transportation and in some cases the foil holds together several magazines. However, in an effort to minimize the impact of their packaging, Story House Egmont has taken a data driven approach to looking at alternatives. They base their decisions on actual emission factors of each alternative, to choose the ones with the smallest carbon emissions, and then they test these alternatives in trials with the consumers.

So far, they have (among others) tested; mailing copies to subscribers without any wrapping, gluing kids covermounts to the cover page (thus avoiding plastic foiling), using different qualities of recycled plastics as well as testing paper envelopes as an alternative, and finally wrapping multiple issue magazines with a 'paper belly band' instead of a plastic foil. Via the results of these trials, Story House Egmont rolled out a new strategy for their magazine packaging, combining some of these alternatives, and thereby laid the foundation for achieving their target of halving plastic foils by 2021. The effect of their efforts should show in the 2022 numbers.







# Green partnerships

The green transformation can only be achieved if we work together. Egmont wants to test new concepts from suppliers and be an active partner in developing green solutions and contribute to success for green suppliers. We also want to enter into green partnerships to test new technologies that can have a green impact on our business. During 2022, we will continue the work with our key suppliers, new business partners and external experts to explore how we can work together on accelerating the green transition across own operations and supply chains.

During 2021, Egmont has worked on identifying common ground across our different business areas. As an example of an internal green partnership, a paper working group has been formed between books and magazines with the aim of finding the most sustainable way to produce printed products. Next a working group will be formed to identify reduction potential within goods transportation.

All Egmont companies have a unique role – in the climate challenge as well – but it is important that the companies within each business area joins forces to identify their particular contribution to the green agenda. Egmont also wants to make an impact by using our expertise to educate, inspire and enlighten on sustainability related topics. During 2022, we will identify and run some test projects to find the format and content that best fits this ambition.

Egmont is on a journey towards a green transition, and we still have some way to go before we succeed. Emphasising Egmont's climate commitment as part of our 2025 business strategy is an important step, but our green ambitions have an even longer perspective. Future generations need us to take urgent action now, and this is why we have to *Go Greener fast*.

## # | A positive impact

An internal sustainability survey completed in 2021 gave Nordisk Film an important insight into the awareness and engagement of the employees as well as a common understanding of three defined focus areas: Sustainability in operations and locations, sustainable content and products, and responsible culture and workplace.

When asked "Why be sustainable?" more than 80 percent of the respondents answered: "A positive impact in society".

The survey showed a great interest in the green agenda, and employees found that the most important sustainability areas for Nordisk Film operations were energy (50%) and waste (55%), which they will look further into during 2022.

Lotte Sodemann Sørensen, Director HR, People and Culture, Nordisk Film: *"Our approach to sustainability is based on a need for Nordisk Film to act with responsibility and to contribute positively to changing the world we live in. And the survey shows that working for a responsible company is important for most of our employees."*





# Embedding responsible business practices

**Egmont conducts business in a responsible way, ensuring that we respect human rights, and act credibly and with integrity and comply with applicable laws, rules and regulations in our operations and supply chains.**



# Business ethics, anti-corruption, and whistleblowing

Egmont does not tolerate any use of corruption or bribery, and since 2013 Egmont has had a clear policy on that. Employees, business partners, and third parties have the opportunity to use confidential and secure channels to express concerns about possible misconduct via Egmont's whistleblowing system, which can be accessed online by employees via our intranet and by external parties via Egmont.com.

## Business ethics policy and training

Egmont's Business Ethics Policy, which was launched in 2019, incorporates a number of legal compliance areas such as anti-corruption, bribery, conflicts of interest, gifts and entertainment, competition law, anti-fraud, marketing law, data protection, piracy and illegal use of content, human rights, and environment, and it functions as an overall umbrella to communicate compliance policies and how Egmont expects all managers and employees to act. The Business Ethics e-learning, which was also launched in 2019, presents the employees with dilemmas and cases, which they may encounter in their daily business.

## Progress in 2021

During 2021, Egmont rolled out updated e-learning to all relevant employees and in addition focused on implementing the policy and e-learning in newly acquired companies.

By the end of December 2021, 96% of all relevant employees had completed the new Business Ethics training. The training is also automatically assigned to all new, relevant employees, and employees are required to take refresher training every year.

The aim is to reach as close to 100% completion rate as possible. We have optimized our system to be able to assign training and improve completion tracking of the relevant categories of employees.

Egmont continues to assess its risks in relation to corruption in the business areas and countries where it operates and in relation to new partners, and it is still the conclusion that the overall risk of corruption in Egmont is low. Egmont carries out audits and inspections on the basis of risk assessments and continues to work with manufacturers and other partners in countries with perceived high risk of corruption to ensure, in particular, that no manufacturers attempt to improperly influence the outcome of independent audits carried out, and that manufacturers are aware of the regulations on anti-corruption. Where relevant, both in connection with new partners and M&A transactions, separate due diligence regarding corruption and other business ethics risks is conducted. During 2021, Egmont conducted separate due diligence in a number of cases and where necessary used external experts to conduct the due diligence.

In addition, Egmont continues its work to ensure that relevant business partners sign up to Egmont's Code of Conduct (or have their own code with equivalent standards) that clearly states that no use of corruption, bribery or facilitation payments is tolerated. Egmont had planned to make a new overall risk assessment in order to guide the business more consistently with respect to implementation of the Code of Conduct in relevant agreements, however this work has been postponed to 2022.

During 2021, Egmont has not detected any corruption or bribery in Egmont or in the supply chain or received reports of any such incidents.





## Whistleblowing system – reports and status 2021

In 2021, one whistleblower report was submitted in Egmont’s whistleblowing system. It related to concerns with the development of a business but no compliance issues were identified.

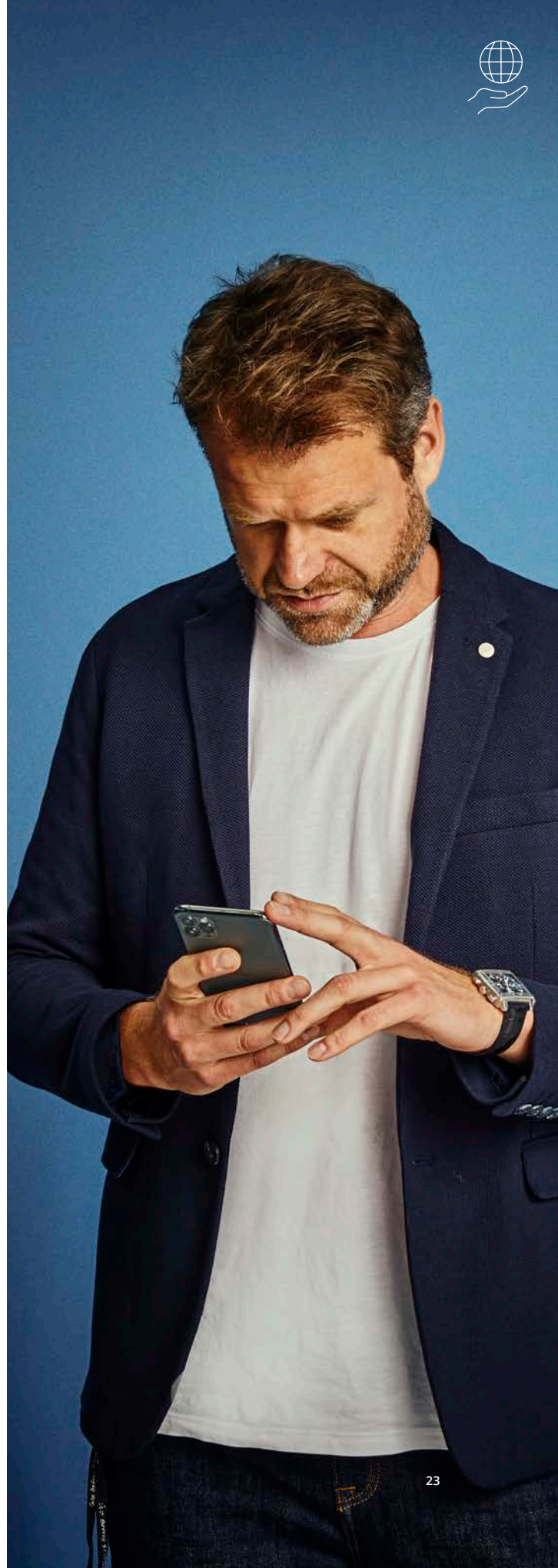
During 2021, continued communication around the whistleblowing system has been provided in Egmont in connection with online training. In addition, the whistleblowing policy has been updated to reflect the implementation of new EU based rules on the area.

## Planned actions

All businesses enrolled in the Business Ethics training programme must run a refresher training. Selected new businesses are enrolled in the training based on risk assessments during 2022.

Updated guidance regarding implementation of the Supplier Code of Conduct into relevant agreements will be prepared based on a risk assessment.

Egmont’s whistleblowing system will be updated with a mobile version to ensure easy access to reporting and we will continue to assess whether employees find that they have the right ways to speak up if they experience non-compliance in Egmont.







# Data protection and data ethics

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. 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 have been educated in general information security. In addition, IT employees have been trained in information security for their specific responsibilities. Training will be recurring on a yearly basis and as technical policies are updated. The Information Security Policy has been successfully adopted, and security controls are constantly being optimized, e.g. to incorporate new operational models such as cloud. Focus is on leveraging the speed and scale of cloud security to be in control with data and systems security in parallel with traditional security controls, including security test, system updates, and malware prevention.

The Egmont Group 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 as a starting point, it will apply 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.







## # | 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 in order 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.



# Social compliance programme

## Responsible supply chains

Egmont has business partners and suppliers around the world, including in countries where potential risks of negative impacts related to human and labour rights, anti-corruption, and environment are perceived to be high. To ensure that all individual rights are respected in the entire supply chain, Egmont has worked closely with its suppliers to develop and implement Egmont's social compliance standards.

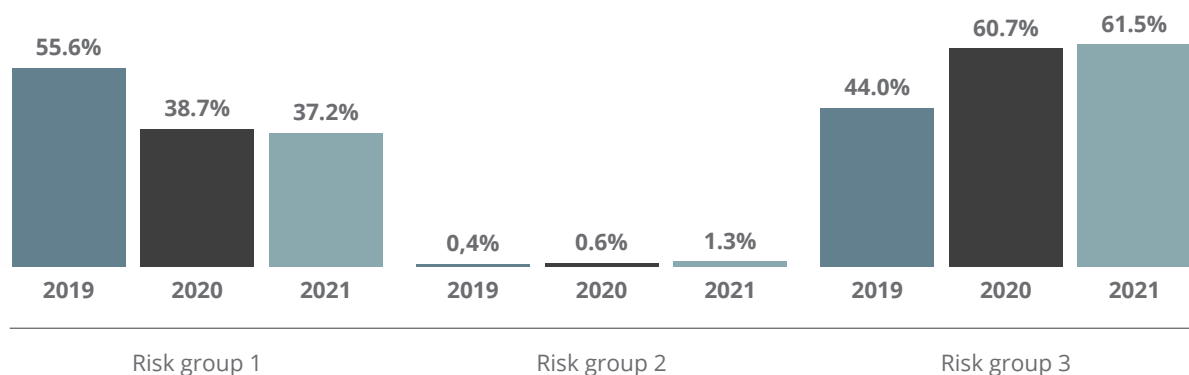
Egmont's approach to social compliance is guided by Egmont's Code of Conduct which is aligned with UN Global Compact's ten principles and covers topics related to human rights, labour rights, environment, and anti-bribery. The Code of Conduct sets out our minimum requirements on responsible business practices for our business partners and suppliers, while the Egmont Social Compliance Programme (ESCP) defines processes and practices on how to ensure compliance and how to mitigate non-compliance issues at our direct suppliers and selected sub-suppliers.

The suppliers are categorised in three risk groups. According to the risk mapping, Egmont requires a social audit or self-assessment to demonstrate compliance with our Code of Conduct. In case of any non-compliance issues, the supplier is required to mitigate the issue through a time-bound remediation plan in consultation with Egmont's Social Compliance team. If a supplier fails to comply with Egmont's minimum requirements or to show its willingness to take any necessary remediations, Egmont may terminate the cooperation with the supplier.

## Status of the supplier pool

During 2021, Egmont had 289 active suppliers in the supplier pool, which was a decrease compared to 313 in 2020. Within the active suppliers, the number of suppliers in low-risk countries (Risk group 3) has increased while the number of suppliers in high-risk countries (Risk group 1) has decreased, cf. below table.

## Active suppliers by country risk group







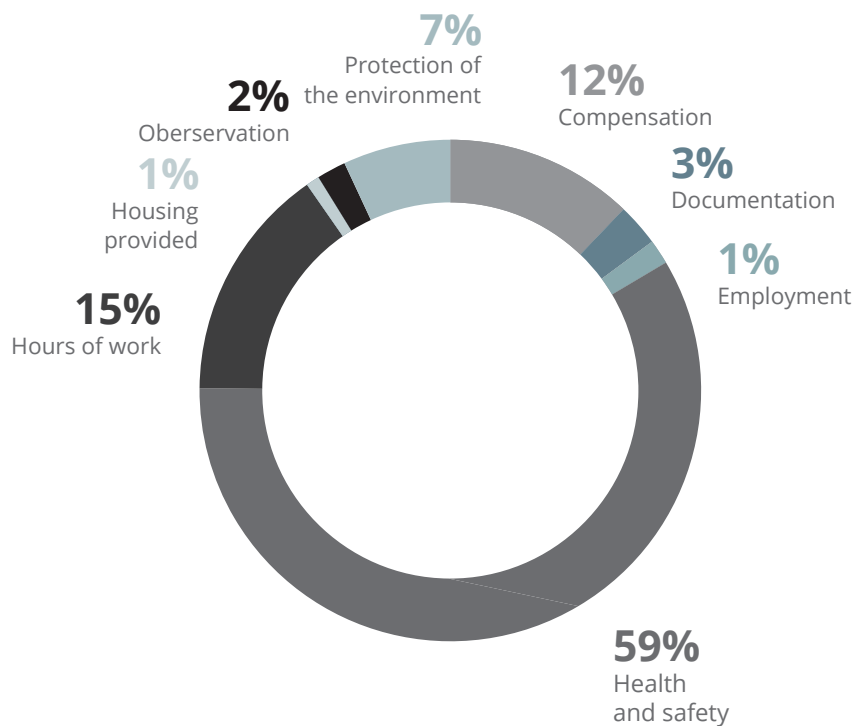
## Suppliers' social compliance level in 2021

In 2021, Egmont has assessed the compliance level at our suppliers through 162 audit reports and self-assessments and addressed in total 692 findings among them. The number of audits in 2021 decreased due to movement of some suppliers from high-risk profiles to low-risk, and the impact of COVID-19, which caused postponement and cancellation on some inspections in some regions.

The average findings for each audit or self-assessment were calculated as 3.74, which is a decrease compared to 2020. Furthermore, no zero tolerances were detected in 2021.

The detailed distribution of the findings found in 2021 can be seen in the below figure.

## Findings from Social Audits in 2020





## Health and safety issues are still focus areas

The health and safety category continues to account for the majority of findings. This mainly includes personal protective equipment (PPE) not properly worn/used, missing or improper health checks, and improper or missing secondary containment of chemicals used in production processes. These findings are usually caused by lack of safety awareness and understanding of the relevant regulations. Egmont continues to work with the relevant suppliers to ensure that they set up safety procedures and training sessions to prevent these safety issues.

One of the measures to inform and train our suppliers is the Egmont inspiration letters, which is distributed 2-4 times a year. The inspiration letters raise knowledge and awareness about specific compliance topics.

## Planned actions

During the coming year, Egmont will continue to work with the supplier pool to remediate non-compliance issues to continue the decline in the non-compliance curve.

Based on the new legislative requirements to human rights due diligence, we will assess whether this will require an update to Egmont's Code of Conduct and our Social Compliance Programme.

Lastly, Egmont will continue to build awareness and provide training on social compliance related topics for our suppliers and business partners.















# Empowering people and communities



# Egmont's workforce

Egmont cares about the well-being of its employees. Egmont believes that a good life at work for its employees is realised through a combination of a meaningful job, a great purpose, great cooperation with colleagues, and opportunities to develop professionally. Egmont needs to have the right capabilities to stay relevant and to grow, and a culture where development and innovation is paramount, ao. to reduce the risk of losing key talent and in order to stay relevant in relation to external demands. Thus, Egmont wants to strengthen the learning culture across divisions. This is done through a mix of professional skills development, acquisition of new competencies, and new ways of working.

## Development and employee engagement

Egmont wants the employees to have constant focus on learning and development in order to grow professionally and personally. Egmont provides the employees with different learning initiatives, which include inspiration, knowledge sharing, courses, and mandatory training sessions – some offered to all Egmont employees and some developed and provided locally to ensure that it fits the specific culture and needs.

During 2021, different learning experience platforms have been offered to the employees in TV2, Cappelen Damm, and Nordisk Film. Digital lectures and seminar forums have been introduced to stimulate a learning organisation where people share and learn in an easy and intuitive way.

Egmont believes that feedback is a strong tool to advance development. During 2021, Egmont continued to offer feedback workshops to employees with insights and tips and tricks on how to give, receive, and request feedback.

Leadership requirements are continuously changing as companies grow, technology develops, customers' habits change, and employees' expectations for

leadership support increase. This places new demands on Egmont's leaders. Leaders are vital to the well-being and development of the employees, and it is crucial for Egmont's continued success that its leaders understand how to guide their employees through the rapid changes. Therefore, Egmont offers all leaders to participate in "Committed to Lead" programs, which are designed for specific leadership levels (Informal Leaders, Leading Others, and Leading Leaders).

The content of the programmes evolves on an ongoing basis. Due to Covid-19, parts of the programmes were converted into virtual sessions. Based on the principles from "Committed to Lead", a programme was developed specifically for team-leads in E-commerce businesses and rolled out during 2021.

By the end of 2021, a total of 450 leaders have completed the "Committed to Lead" programmes during a period of five years and more leaders are lined up for the programmes in 2022.

In addition to the leadership development, Egmont expects its leaders to focus and act on the employee engagement in their teams, which is why Egmont conducts engagement surveys twice a year. Engagement is essential for short-term business performance and customer satisfaction as well as for the long-term sustainability of the company. Egmont's engagement remains at a high level, both in terms of participation rate in surveys (84%) and the overall engagement level (8.2 on a 10-point scale) according to the latest survey in November 2021. This constitutes a 0.1-point increase compared to the engagement level in November 2020.





## Managing the Covid-19 pandemic

Across the Egmont Group, the majority of employees have been working from home in the first half of 2021 due to the Covid-19 pandemic. In addition to ensuring that employees had the necessary equipment, this required adjustments in workflows, an increased use of technology, and new ways of maintaining relationships and trust between team-members while leading at a distance.

Thus, Egmont offered all leaders training to help increase their virtual leadership skills.

As a support to Egmont employees during these challenging times, Egmont also offered virtual courses, webinars, etc. that focused on ways to maintain motivation and be comfortable working from home, how to use and improve technology skills as well as tips and tricks on how to balance work and private life.

## Planned actions

In 2022, Egmont will continue to focus on the development and engagement of our workforce. We have planned initiatives to increase employees' digital skills and understanding as part of our ambition to advance our capabilities, among others within content, marketing, and consumer insights. Furthermore, we will review Egmont's existing leadership framework and develop new ways to strengthen employee engagement to continue to provide our workforce with the best opportunities to grow.

## # | Focus on harassment

Egmont expects employees to support a culture in which human rights, including non-harassment, are protected and promoted. This includes never participating in any verbal or physical conduct that can be viewed as inappropriate, offensive, hostile or in other ways result in creating an uncomfortable or unhealthy working environment.

In addition to the Business Ethics Policy, an overall Egmont Policy on Offensive Acts has been drafted in 2021, which includes detailed guidelines on how to handle different offensive or harassing situations. The Policy has been developed by Egmont's individual divisions in close collaboration with relevant trade associations.

Also, in February 2021, Story House Egmont in Denmark chose to support the media industry's new code against sexual abuse, drafted by trade unions, employers, and educational institutions. *"It must be safe for everyone to go to work, and it is important that everyone knows what they can do and who they can turn to if they experience unacceptable behaviour"* said HR director, Mette Bering Holm.

In May 2021, Nordisk Film's Policy on Non-harassment and Non-discrimination was communicated to all employees in the division. HR Director, Lotte Sodemann Sørensen wrote: *"We work with many creatives who are not a regular part of our workplace, we have many partners, just as we have many very young people employed in our cinemas. It requires that we pay extra attention to the many relationships we have, and that we take joint responsibility for maintaining an ambitious, passionate, fun, and very unique culture. Therefore, this policy is implemented not to address problems we have, but to ensure that they do not arise in the future".*

In Cappelen Damm the #metoo-movement caused specific focus on how to handle such issues in the publishing industry. With the headline: "What can we do in Cappelen Damm and in the industry to put an end to harassment?", all managers in Cappelen Damm were offered digital training and lectures on this specific topic.





# Gender balance

In Egmont, all employees should find that they have equal and fair opportunities for promotions where their competences can be used in the best way possible irrespective of gender, age, health, and social and cultural background. When recruiting or promoting people, Egmont aims to identify both male and female candidates.

The overall status for 2021 is that there is equal representation of gender in Egmont with a total of 50/50 females and males across all businesses.

When it comes to the balance between female and male managers, the ratio has changed slightly from 49% females and 51% males in management positions in 2020 to 48% females and 52% males in management positions in 2021. The table below shows variations across management and other employee categories in the divisions, which is believed to be fairly reflective of the talent pool available.

		
<b>Books</b>	<b>68,7%</b>	<b>31,3%</b>
Management	55,4%	44,6%
Other employees	71,1%	28,9%
<b>Egmont HQ</b>	<b>40,0%</b>	<b>60,0%</b>
Management	48,1%	51,9%
Other employees	37,9%	62,1%
<b>Nordisk Film</b>	<b>37,7%</b>	<b>62,3%</b>
Management	31,8%	68,2%
Other employees	39,9%	60,1%
<b>Story House Egmont</b>	<b>60,1%</b>	<b>39,9%</b>
Management	52,7%	47,3%
Other employees	61,7%	38,3%
<b>TV 2</b>	<b>36,5%</b>	<b>63,5%</b>
Management	49,0%	51,0%
Other employees	34,8%	65,2%
<b>Grand Total</b>	<b>50,1%</b>	<b>49,9%</b>
Management	44,4%	55,6%
Other employees	51,5%	48,5%

Based on number of FTE's in people survey in November 2022.

Management includes top management, leader of leaders and leader of others.





# Supervisory boards

The target for the underrepresented gender on the board applies to all Egmont's Danish companies that are required under Danish law to set such target. In addition to Egmont Fonden and Egmont International Holding A/S (which have boards that consist of the same board members), the companies are: Story House Egmont A/S, Egmont Printing Service A/S, Lindhardt & Ringhof Forlag A/S, Nordisk Film A/S, Nordisk Film Distribution A/S, Nordisk Film Biografer A/S, Nordisk Interactive A/S, and Nordisk Games A/S.



Except for Egmont Fonden and Egmont International Holding A/S, all these companies have one female board member elected by the general meeting out of three board members on the Supervisory Board, which is considered equal representation under Danish law. For companies with equal representation, it is not relevant to set a target for the underrepresented gender.

According to the Charter of the Egmont Foundation, appointment to the Board of Trustees takes place when a member's appointment period expires, and

board members are appointed for a period of four years. The Board of Trustees of the Egmont Foundation is appointed for up to three ordinary periods of four years and may be appointed for up to two further periods of two years. The Board of Trustees believes that its members should be chosen for their overall competencies but also recognises the benefits of a diverse Board in terms of experience, cultural and educational background, and gender. In 2020, the Board of Trustees set the following target:

Egmont aims to have at least two female board members on the Board of Trustees appointed by the annual meeting no later than by 2024.

The target has not yet been met for Egmont Fonden and Egmont International Holding A/S. One new board member was appointed in 2021, but after careful assessment of the candidates and their competencies, a male member was appointed to the board. As shown in the table below all other relevant companies have equal representation on the board.

			Equal representation
Egmont Fonden / Egmont International Holding A/S	6	1	✗
Story House Egmont A/S	2	1	✓
Egmont Printing Service A/S	2	1	✓
Lindhardt and Ringhof Forlag A/S	2	1	✓
Nordisk Film A/S	2	1	✓
Nordisk Film Distribution A/S	2	1	✓
Nordisk Film Biografer A/S	2	1	✓
Nordisk Interactive A/S	2	1	✓
Nordisk Games A/S	2	1	✓

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



# Charitable Activities

Egmont Fonden's charitable activities are based on social responsibility and empathy. The foundation was established in 1920 with the aim to alleviate the consequences of poverty for children and families. Today, the foundation has sustainable development goal number four as its overarching goal or ambition, i.e. to ensure inclusive and equitable quality education and lifelong learning opportunities for all. Children and young people at risk constitute the target group of the foundation. The foundation has a child-centric approach as part of its DNA; it is data based and co-operation oriented

Egmont Fonden uses a variety of philanthropic instruments, which comprise donations, partnerships, incubator grants and signature projects, i.e. "A Helping Hand" which distributes support directly to children and families at risk. In 2021, Egmont Fonden granted a total of EUR 12.9 million to 34 grantees and initiatives empowering and developing film talents and the cinematic narrative. Since 1920 Egmont Fonden has donated approx. EUR 450 million in total (present value).



## Social responsibility in Sweden

Egmont Fonden is regarded a Danish foundation. However, since 2009 the foundation has made donations in Norway where Egmont has a lot of business. Egmont's business has grown in Sweden and the foundation wants to take social responsibility here as well. Therefore, the foundation expanded its activities geographically and gave its first donations in Sweden in 2021. The first two recipients of donations in Sweden were Barnens Rätt I Samhället (BRIS) with a donation of EUR 0.7 million and for the organization My Dream Now of EUR 0.3 million.

## Responding to the pandemic

Covid 19 and the periods of lockdown set the agenda all year. The pandemic had an enormous impact on children and young people in all of Scandinavia. It affected their well-being and their learning. Many children and young people at risk were marginalized and needed substantial support during lockdown and following the reopening of society. During lockdown, Egmont Fonden provided computers for hundreds of children living in poverty and otherwise without access to digital learning. This support was channeled through the organization Foreningen til Støtte for Mødre og Børn.

Red Barnet (Save the Children), Red Barnet Ungdom (Save the Children Youth), Ungdommens Røde Kors (The Danish Red Cross Youth), and Dansk Folkehjælp (Danish People's Aid) received financial support for extra activities during the reopening of society with the aim of supporting children and young people at risk in closing their learning gaps and gaining social and emotional strength. A total of EUR 1.7 million was provided in Corona support to several organisations.







## Reducing the negative consequences of child poverty

Egmont Fonden has combatted poverty for more than 100 years. In 2021, the foundation worked with “child poverty” as its annual theme. It gathered data, studied the lives and needs of children and young people in poverty, and ran youth panels whereby young people from poor backgrounds gave valuable advice to the foundation on their need for support. The Egmont Report 2021 on child poverty was published in December 2021 and concluded that a childhood in poverty means a higher risk of not completing an upper secondary education, a risk of reduced well-being and exclusion.

Based on the report, Egmont Fonden set five goals for poor children and young people:

- 1. All children must have the necessary tools for learning.**
- 2. All children must have meaningful experiences with their family and friends.**
- 3. All children participate in a recreational activity of their own choice.**
- 4. All children are included in the community of children in day care and school.**
- 5. All young people can get a spare time job.**

These five goals formed the basis of the directional intention of the board of the foundation to distribute up to EUR 13.4 million for the Helping Hand programme 2022-25. The programme provides individual support through partnerships with organizations in Denmark, Norway and Sweden that are directly in contact with children and young people at risk. In 2021, Egmont Fonden distributed EUR 2.6 million through the programme.

## Other strategic focus areas

In 2021, Egmont Fonden worked systematically with several other strategic focus areas. The foundation continued its large partnership with Børns Vilkår (Children's Welfare) on school absenteeism. It continued its partnership with Mødrehjælpen (Mother's Aid) on the first 1,000 days of children's lives which is a central part of the foundation's focus on young children cf. the Pledge to Support Young Children.

Egmont Fonden also continued its partnership with Lær for Livet (Learn for Life) on reducing the learning gaps for children and young people in care. Lær for Livet – which was previously the signature project of Egmont Fonden – received research-based data on its impact in 2021. These data showed that 78 per cent of the participants in Lær for Livet have completed lower secondary education as opposed to 30 per cent of other children placed in care.

In general, the learning and life skills of children placed in care were at the top of the agenda for Egmont Fonden as well as for many other organizations in 2021, as a large political agreement was passed with the aim to improve the situation for these children. Egmont Fonden and many of its grantees and spokes persons for young people placed in care provided information for the decision-making process. The foundation especially focused on ensuring that the views of children and young people were included in the process. Additionally, Egmont Fonden gave several donations supporting children and young people placed in care in 2021 such as Socialt Udviklingscenter (SUS), and Ungdommens Røde Kors, and it engaged in an incubator partnership with De Anbragtes Vilkår.





In 2021, the government's focus on children placed in care intensified. Learn for Life's communication of the perspective of children contributed to this. Six learning kids wrote an article which resulted in a visit of 25 learning kids at the Prime Minister's residence. The main focus in the Prime Minister's New Year speech 2021 was children placed in care, and she mentioned the visit by these children and the article. A reform of the area is in process and Learn for Life, the foundation and several of its grantees have contributed to this.

## Nordisk Film Fonden

In 2021, Nordisk Film Fonden donated EUR 0.7 million for initiatives empowering and developing film talents and the cinematic narrative. 61 talents (36 woman and 25 men) received the scholarships Lille Isbjørn and Store Isbjørn to study and grow their talent abroad. The Nordisk Film Award in Denmark went to director Jonas Poher Rasmussen and Producer Monica Hellström, and in Norway to director Benjamin Ree. The Balling Award went to director and scriptwriter Lisa Jespersen and scriptwriter Sara Jønsson, and the Ove Sprøge Award to actor Nicolai Jørgensen. Four initiatives received an Isbjørn Project Donation: Super8 – Talents in Aarhus, Super16 – Covid 19, Aalborg Universitet – ViZART 2.0 The Real-Time Filmmaking Lab, and Picture This – exploring Virtual Production and new production methods.



# Egmont's carbon accounting principles

The aim for Egmont's carbon accounting is twofold. First, it provides an overview of 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.

## 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. Legal entities

with no activity are excluded from the organisational boundaries. In 2021, our organisational boundaries have expanded in relation to acquisitions and changes in ownership share. 90 individual legal entities are included in our carbon account as of 2021.

Division	Number of legal entities included
Corporate	5
Books	5
Nordisk Film	24
TV 2	13
Story House	43
<b>Total</b>	<b>90</b>





## Operational boundaries

We currently account for and report emissions in Scope 1, Scope 2, and selected Scope 3 categories. We lease most of company cars and we are tenants in many of the facilities we occupy. We perceive that we have operational control on these assets, hence 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

Business flights is relevant for all our business areas. On the contrary, the other Scope 3 emission sources (that we classify as “supply chain categories”) are not equally relevant for all our business areas. The below table displays what business areas are concerned by the supply chain categories.

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

## Greenhouse gases

We report our emissions for all greenhouse gases covered by Kyoto Protocol; hence our emission numbers are expressed in CO<sub>2</sub>-equivalent. However, to keep our communication simple, we chose to use the terms “CO<sub>2</sub> emissions” and “carbon emissions”.

## Electricity consumption

We report our emissions from electricity consumption both using the location-based and market-based approach. However, we primarily use the market-based approach to account for electricity emissions. This is to capture the effect of our efforts to invest in green electricity, rather than the location-based approach which only reflects the local grid.

## Base years and historical emission recalculation

We use two different base years in the Egmont carbon account, due to COVID-19 and significant methodological changes. The base year for own operations emissions remains 2019, because COVID-19 has significantly affected our emission levels in 2020 and 2021 which are hence not representative of Egmont’s usual emission levels. However, we have recalculated our 2019 own operations emission levels, to reflect data quality improvement (i.e., less estimations and more actual consumption data), methodological changes, and expansion of our organisational boundaries. On the contrary, our supply chain emissions have to a lower extent been affected by COVID-19. Due to significant changes in accounting methods and the difficulty to apply these changes to historical emissions, we have then decided that our base year for supply chains emissions would be 2021, and hence we did not recalculate our 2019 and 2020 levels.

## Brief insights into selected emission calculation methods

We use the external CEMAsys platform to compile our carbon account and convert activity data into CO<sub>2</sub> emissions. For Scope 1, our Scope 2, and the supply chain categories “covermounts and toys” and “packaging”, we calculate emissions using 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 spending data. For goods transportation, we collect emission data provided from our transport partners, or we use the transport work method and tailored upscaling approach when we cannot obtain data from our transport partners. Business flights and goods transportation emissions are 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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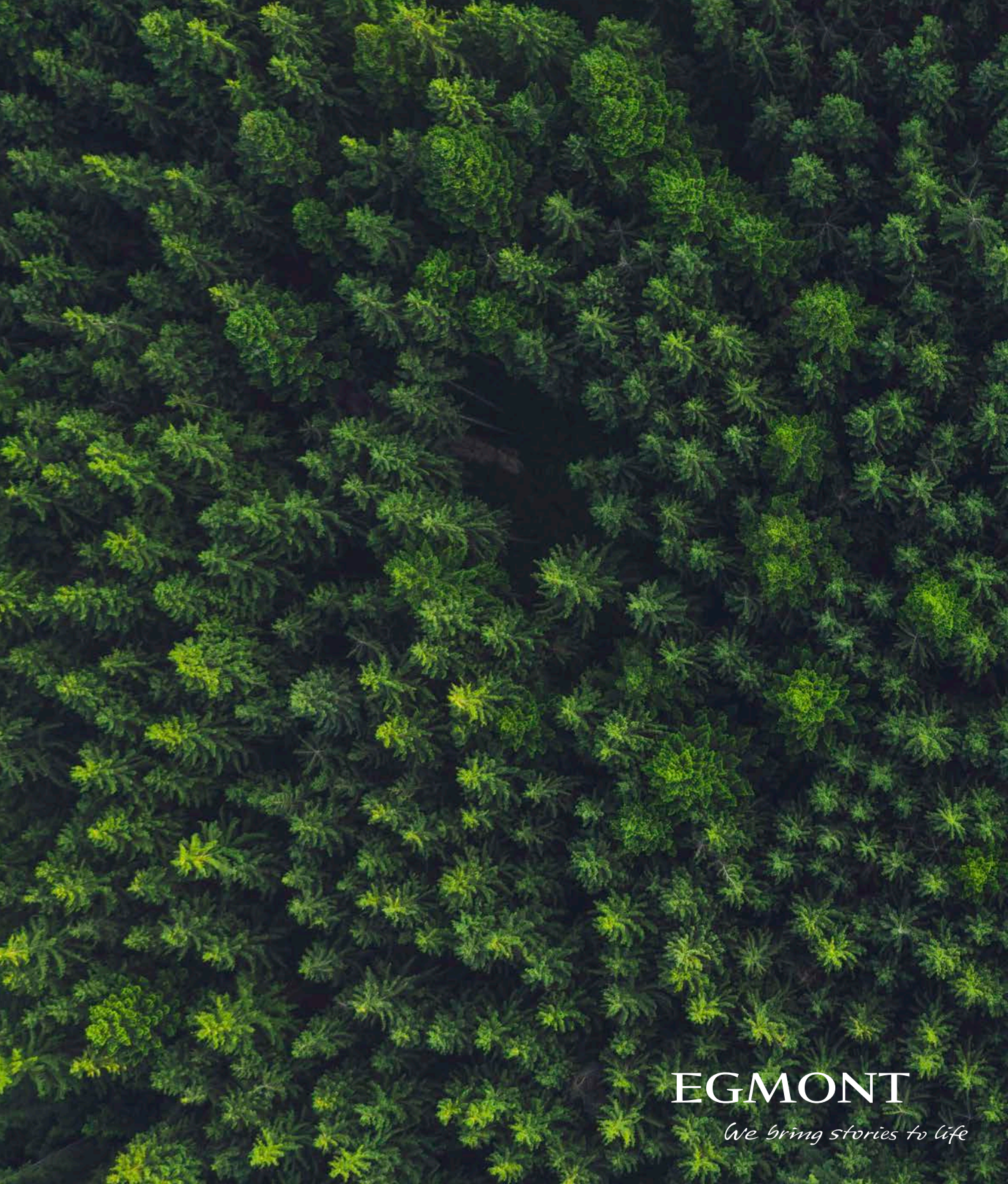
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# EGMONT

*We bring stories to life*



COMMUNICATION ON  
PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Questions or comments related to this report, please contact Egmont Social Compliance at [CSR@egmont.com](mailto:CSR@egmont.com)

Photos: Klaus Rudbæk, Getty Images