

A wide-angle photograph of a two-lane asphalt road stretching into the distance, flanked by dense evergreen forests. In the background, mountains are visible under a dramatic sunset sky with orange and purple hues. On the road, a military fighter jet is parked on the right side. Further down the road, a green Scania tanker truck is stopped, with two soldiers standing next to it. Another soldier is walking away from the camera on the left side of the road.

HMK BILCON A/S

ESG REPORT 2025

Responsible defence and tanker solutions built in Denmark



AI

ABOUT THIS REPORT

This is HMK Bilcon A/S's ESG report. It provides insight into activities at the company's factory on Hadsundvej in Gistrup, east of Aalborg.

This voluntary report follows the methods underlying the CSRD and ESRS and the voluntary VSME standard, recommended by the European Commission in 2025 as a common framework for sustainability reporting by small and medium-sized enterprises.

Climate data is calculated in the Danish Business Authority's Klimakompas using the Greenhouse Gas Protocol. All information comes from HMK Bilcon unless otherwise stated.

The report covers the 2025 financial year (1 January - 31 December). Key 2026 events, including the new hall, improvements and the EcoVadis silver medal, are reported separately and excluded from the 2025 ESG figures. Chart data and sources are documented in a separate appendix.

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Foreword from management

2025 and 2026 have brought high activity and significant progress in our ESG work.

In recent years, HMK Bilcon has expanded further into the defence sector, where investment is gathering pace. European armed forces are renewing and expanding their equipment, sharply increasing demand for refuellers, tankers and fuel containers.

This brings stricter requirements. Our customers increasingly include public buyers and large industrial companies that expect suppliers to document their climate and health and safety impacts throughout the value chain. ESG has become a competitive factor alongside price, quality and delivery time.

We have raised our EcoVadis rating from bronze to silver and now rank among the top 15% of assessed companies worldwide. This reflects focused work on the environment, working conditions, ethics and procurement.

We are also building for the future. Our new production hall will be completed in 2026, equipped for solar power and designed for an even better working environment. We have commissioned our fifth welding manipulator to reduce physical strain, improved production safety and removed historic environmental risks on site. On climate, we have made a major step forward with much better data for our CO2 accounts. This helps us prioritise action that makes a real difference and meet our market's growing expectations for documentation.



“We have raised our EcoVadis rating from bronze to silver and now rank in the global top 15%. This recognises that responsibility has become integral to how we run our business.”

Certification as a competitive factor

Customers increasingly demand evidence of responsible production. Our EcoVadis silver medal and ISO 9001:2015, ISO 14001:2015, ISO 3834-2:2021, ISO 27001:2022 and DIN 2303:Q2BK2 certifications help secure access to our target markets.

In 2026, our overall EcoVadis score rose from 62 to 79 points.

Continued focus on safety

Minor workplace accidents fell from 20 in 2024 to 12 in 2025. Behind these figures is systematic work on consistent incident reporting, root cause analysis and prevention. In 2026, we also commissioned a noise survey, providing a precise basis for targeting our efforts where they have the greatest impact.

Better data, better decisions

We have introduced a new, traceable scope 3 method, replacing spend-based averages for major categories with supplier and EPD data. This makes our emissions accounts more accurate and helps us prioritise the actions with the greatest impact.

Looking ahead

We are proud of our progress and look forward to continuing towards more responsible production, working closely with customers, suppliers and, above all, our employees.

Executive Management

HMK Bilcon A/S

Highlights 2025

A year of progress in climate, resources and safety

RECYCLING

64%

Share of waste sent for recycling in 2025, up from 58% in 2024

SCOPE 2 EMISSIONS

-60%

Reduction following a new power contract with Danish renewable energy certificates

TOTAL CO2E

-18%

From 7,372 to 6,019 tonnes CO2e, partly due to better data

ENERGY CONSUMPTION

-30%

From 2,059 to 1,444 MWh between 2024 and 2025

WORKPLACE ACCIDENTS

-40%

From 20 minor workplace accidents in 2024 to 12 in 2025. Absence: 1-3 days per accident.

JOB SATISFACTION

73.3

Above the national average of 71.7, with an 84% response rate

WELDING MANIPULATORS

5

Welding manipulators reduce physical strain in daily work

FULL-TIME EMPLOYEES

105

Employees in production, development and administration in 2025

Material topics: environment, people and governance

E

Climate and environment

- New power contract with renewable energy certificates from 2025
- Paint booth heating switched from oil to LPG: CO₂ -27%, SO₂ -99%
- Lighter tanks carry more per trip and lower CO₂ emissions during use
- Drains and rainwater basins adapted to higher rainfall
- Water reused for testing and pressure testing; water-saving taps

S

People and society

- Industrial Agreement and membership of Dansk Industri
- Apprentices, senior and flex-job staff; target of 10% apprentices
- Extra dust extraction and sound-absorbing partitions in production
- External noise survey completed in 2026 to guide targeted measures
- Updated Supplier Code of Conduct for future value chain transparency requirements

G

Corporate governance

- ISO 27001:2022-certified since December 2024
- Whistleblowing scheme and anti-corruption policy in our Code of Conduct
- Greater focus on cybersecurity as a defence supplier
- Exploring purchasing partnerships and pooled buying for better prices
- New IT systems to streamline documentation and processes



Aircraft refueller

Developed, built and tested in Gistrup, serving European armed forces

HMK Bilcon at a glance

With roots dating back to 1895, HMK Bilcon is an established manufacturer in Gistrup, east of Aalborg.

We build tankers, aircraft and helicopter refuellers, fuel containers and specialist trailers for European armed forces, plus tankers for Scandinavian oil companies.

Our products are built mainly in aluminium at our own factory, which also houses development and documentation. They are designed and built for quality, ease of use and long service life; many of our defence products remain in use 30 years after leaving the factory.

What we build

- Oil and petrol tankers
- Aircraft and helicopter refuellers
- Fuel containers and small trailers for European armed forces
- Specialist defence trailers



Facts and figures

1895

FOUNDED

The company began as a blacksmith's workshop in Hjørring

105

EMPLOYEES

Full-time staff in production, development and administration

30

YEARS IN SERVICE

Defence products remain in service 30 years after manufacture

What we do

We supply oil and petrol tankers, aircraft and helicopter refuellers, fuel containers and small trailers for European armed forces, and specialist defence trailers.

Where we are

All operations are at Hadsundvej 295 in Gistrup, east of Aalborg, with development, production, testing and documentation on one site.

Certifications

We are certified to ISO 9001:2015 (quality), ISO 14001:2015 (environment) and ISO 27001:2022 (information security). We also hold several welding certifications, including ISO 3834-2:2021 and Germany's DIN 2303 Q2BK2, a prerequisite for supplying the defence industry in Europe.

Collaborations, memberships and partnerships

- Dansk Industri and Lærepladsfællesskabet
- Business Aalborg
- Aalborg Alliancen and Klimaalliancen
- InterForce

All together in Gistrup

Development, production, testing and documentation sit side by side, shortening the path from idea to finished vehicle.



Our history

Our roots go back to 1895, when blacksmith Søren Jensen began building horse-drawn carriages in his small Hjørring workshop. Our craftsmanship has evolved with the times, from carriages to chassis frames and on to today's aluminium tanks and defence solutions.

Aluminium has been a constant since the mid-1960s and still makes our tanks light, durable and recyclable. The 2010 merger brought all activities to one Gistrup site, where development, production, testing and documentation now sit side by side.



- 1895** Blacksmith Søren Jensen builds horse-drawn carriages in his Hjørring workshop.
- 1950** The company switches to building vehicle chassis frames.
- 1963** Renamed HMK Industri. Production of chassis, tankers and specialist vehicles expands.
- 1965** Scandia Randers develops its first aluminium tanks, a technology still central to production.
- 1981** Production moves to Aalborg.
- 1983** Ascan Bilcon A/S is founded after tank production moves to Aalborg.
- 2010** HMK Industri and Ascan Bilcon merge. All operations move to Hadsundvej 295 in Gistrup.
- 2020** ISO 14001:2015 certification. Systematic environmental management becomes part of daily operations.
- 2026** New production hall with 32 kW of solar power completed, the largest expansion in the company's recent history.

130 years of craftsmanship; one site since 2010

Development, production, testing and documentation sit side by side at Hadsundvej in Gistrup.



CASE

Longer service life instead of new equipment

Remounting and refurbishment

Much of our work extends the life of existing equipment rather than building new. When **remounting**, we remove a tank or body from a worn-out chassis, inspect and upgrade it, then fit it to a new chassis.

The customer gets a vehicle meeting current engine, safety and emissions requirements without producing a new tank. This saves aluminium, energy and processing time and is often the most cost-effective solution.

We also **refurbish older fuel containers**: we replace worn parts, update pumping and metering systems and bring safety equipment up to current standards. Containers that would otherwise be retired can then remain in service for many more years.

Both approaches put resource efficiency into practice: the greatest environmental gain often comes from avoiding new production altogether.

Remounting

Tank and bodywork reused: new chassis, same tank.

Refurbishment

Older containers are upgraded for many more years of service.



Before refurbishment



After refurbishment

ESG strategy and governance

Responsibility is integral to how we run our business. As an SME, we are not subject to CSRD, but we report voluntarily to meet our customers' and other stakeholders' expectations for transparency.

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- 16 Sustainable Development Goals
- 17 Risks and policies

IN FOCUS · ECOVADIS SCORE

79/100

2026: from bronze to silver. 62 points in 2025.



ESG framework

We conducted a double materiality assessment using the CSRD's methods and principles. It identified 11 material topics across three areas that together form our ESG strategy.

E

Environment

Our greatest impact lies in materials, energy and the value chain behind our products.

- Climate change adaptation
- Climate change mitigation
- Resource inflows
- Air pollution
- Water consumption
- Resource outflows

6 material topics

S

Social matters

Safe working conditions, skilled training and fair terms, both in-house and at our suppliers.

- Working conditions in our workforce
- Working conditions in the value chain
- Equal treatment and opportunities

3 material topics

G

Corporate governance

As a defence industry supplier, we face high standards for integrity, data security and traceability.

- IT security
- Corruption and whistleblowing
- Technology and IT systems
- Supplier relations

4 material topics

Double materiality

The assessment covers impact and financial materiality and draws on dialogue with customers, suppliers, employees and owners.

Method

We followed the CSRD's double materiality method. A topic is material if our impact on the wider world is significant, if it has a material financial effect on the business, or both.

Results

The assessment identified 11 material topics: seven from an impact perspective, two from a financial perspective and two from both. We also chose to include three additional corporate governance topics.

Stakeholder dialogue

The assessment draws on desk research, interviews and questionnaires involving customers, competitors, suppliers, owners and staff. Four priorities emerged: scope 3 emissions, the Supplier Code of Conduct, power purchase agreements and cybersecurity.

Reporting framework

Our largest customers' requirements cascade down the value chain. Customers subject to CSRD must report scope 3 emissions and therefore request emissions data from suppliers like us. We follow the voluntary VSME standard recommended by the European Commission in 2025.

Four topics emerged as key priorities

01

Scope 3 emissions

Purchased materials account for most of our footprint, and this is where customers request documentation.

02

Supplier Code of Conduct

Requirements for fair value chain conditions cascade down from our largest customers.

03

Power purchase agreements

Our choice of power contract has the greatest single impact on scope 2.

04

Cybersecurity

As a defence supplier, we are an attractive target, and cybersecurity is a customer requirement.

Sustainable Development Goals

We have selected six of the UN's 17 Sustainable Development Goals where we can make a difference as a manufacturer.

SDG	Why it matters to us	What we do
 Quality Education	Industry faces a shortage of skilled workers, making training vital to securing future skills.	We always employ more apprentices than required, regularly offer student placements and employ student assistants from Aalborg University.
 Clean Water and Sanitation	Tank production requires water for testing and pressure testing, and wastewater may contain oil residues.	We reuse pressure-testing water, fit water-saving taps and connect all wash bays to oil separators.
 Affordable and Clean Energy	Production is energy-intensive, and energy use is a major source of our direct emissions.	All power comes from Danish renewables via certificates. The new hall will have 32 kW of rooftop solar power.
 Industry, Innovation and Infrastructure	The transition to more sustainable industry requires new production methods and technologies.	We invest in welding manipulators for better ergonomics, new welding cells with modern extraction and more energy-efficient production equipment.
 Responsible Consumption and Production	Metal scrap and production waste consume resources and form our largest direct environmental footprint.	We optimise sheet use to minimise scrap, sort waste at source and recycle 64% of our waste.
 Partnerships for the Goals	No business can solve the climate challenge alone; collaboration is essential.	We work with Business Aalborg, Aalborg Alliancen, Klimaalliancen and Interforce.

Risks and policies

Our ESG governance includes identifying key business risks and ensuring policies are in place to manage them.

	Topic	Risk assessment	Relevant policy	How we manage it
ENVIRONMENT	Climate change	Production is energy-intensive, and purchased metals account for most of our carbon footprint.	Environmental policy · Quality & environment policy	We calculate our footprint annually in Klimakompas and systematically reduce energy use and improve scope 3 data.
	Resources and energy	Aluminium and steel are energy-intensive to produce and account for most of our material use.	Procurement policy · Code of Conduct	We optimise sheet use to minimise scrap and discuss lower-impact materials with suppliers on an ongoing basis.
	Water and chemicals	Testing and surface treatment require water and chemicals that may pose environmental risks.	Environmental policy	Pressure-testing water is reused, wash bays have oil separators, and all underground oil tanks have been decommissioned.
	Waste	Production generates substantial metal waste and smaller amounts of hazardous waste.	Environmental policy	All containers are colour-coded, volumes are reported annually, and recycling reached 64% in 2025.
SOCIAL MATTERS	Health and safety	Welding, grinding and heavy components pose risks of accidents and physical strain.	Health and safety policy	Our health and safety organisation meets eight times a year. All incidents are recorded, and noise conditions have improved in selected zones.
	Working conditions in the value chain	Suppliers outside the EU may have lower working condition standards.	Code of Conduct · Procurement policy	Our Supplier Code of Conduct sets requirements for human rights, fair working conditions, the environment and anti-corruption.
GOVERNANCE	IT security	As a defence industry supplier, we are an attractive target for cyberattacks.	IT security policy	We are ISO 27001:2022-certified and use risk assessments, access controls, backups, contingency planning and awareness training.
	Business ethics	Public sector and defence customers demand high standards of integrity.	Code of Conduct · Whistleblowing scheme	Our Code of Conduct covers anti-corruption, and a whistleblowing scheme is in place.

Environment

Our greatest environmental impact lies in the materials we buy, rather than our own operations. Our climate work therefore combines reducing our own consumption with improving value chain data.

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IN FOCUS · TOTAL CO2 EMISSIONS

18% lower

Down from 7,372 to 6,019 tonnes CO2e from 2024 to 2025.



Environmental management and ISO 14001

Since August 2020, our environmental management system has been certified to **ISO 14001:2015**.

This helps us manage and minimise our environmental impact in the short and long term, embedding environmental considerations in our strategy and operations.

Certification is audited by a third party and is also required of suppliers by several of our largest customers.

The system covers

- Management defines and takes responsibility for environmental action
- Environmental policy focused on pollution prevention and continuous improvement
- Planning and identifying environmental aspects, risk assessment, targets and action plans
- Implementation, operation and staff training
- Monitoring and measuring environmental indicators, with internal audits
- Management review and continuous system improvement

Emissions accounting and scopes

We calculate CO2 emissions in the Danish Business Authority’s Klimakompas, following the Greenhouse Gas Protocol.

Scope 1 covers our direct emissions, **scope 2** indirect emissions from purchased energy, and **scope 3** other indirect value chain emissions, including purchased goods and services, capital goods, waste, travel and transport.

As in most manufacturing firms, the vast majority of our emissions are scope 3: 94–97%, mainly purchases of metal components, aluminium, steel and electronics. Data come from our ERP system, suppliers and estimates.

Since 2025, all electricity has come from Danish renewables through renewable energy certificates. This is the main reason for the sharp fall in scope 2.

Key figures	Unit	2021	2022	2023	2024	2025
Scope 1	tCO2e	230	213	230	192	160
Scope 2 (market-based)	tCO2e	43	36	95	103	42
Scope 3	tCO2e	4,647	3,808	5,096	7,077	5,817
Total tonnes CO2e	tCO2e	4,920	4,057	5,421	7,372	6,019
Scope 3 share	%	94.5	93.9	94.0	96.0	96.6
Employees (FTE)	number	89	87	85	104	105
CO2e per employee	tCO2e/FTE	55	47	64	71	57
Energy consumption	MWh	1,346	1,083	2,050	2,059	1,444

Source: Klimakompas 2021–2025. The 2025 figures use the same method as previous years, with improved data; see page 22.

94–97% of emissions are in the value chain

Better data on purchased materials are therefore our most important tool for climate action.



CO2 trends 2021–2025

In 2025, both our total CO2 emissions and energy consumption fell. The charts show absolute figures from 2021 to 2025.

Developments in 2025

From 2024 to 2025, our total CO2 emissions fell from 7,372 to 6,019 tonnes CO2e, a reduction of 18%. Improved data contributes to the reduction; see page 22.

Green power

Scope 2 fell by 60% after our new 2025 power contract sourced all electricity from Danish renewables through renewable energy certificates.

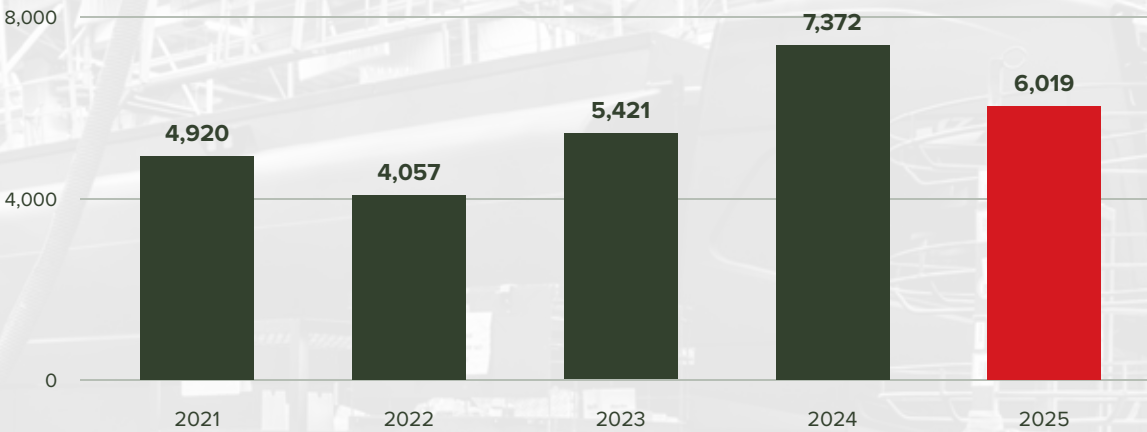
Energy efficiency

Energy consumption fell from 2,059 to 1,444 MWh between 2024 and 2025, a reduction of around 30%. We optimise energy use through the compressor, LED lighting, heat recovery and district heating controls.

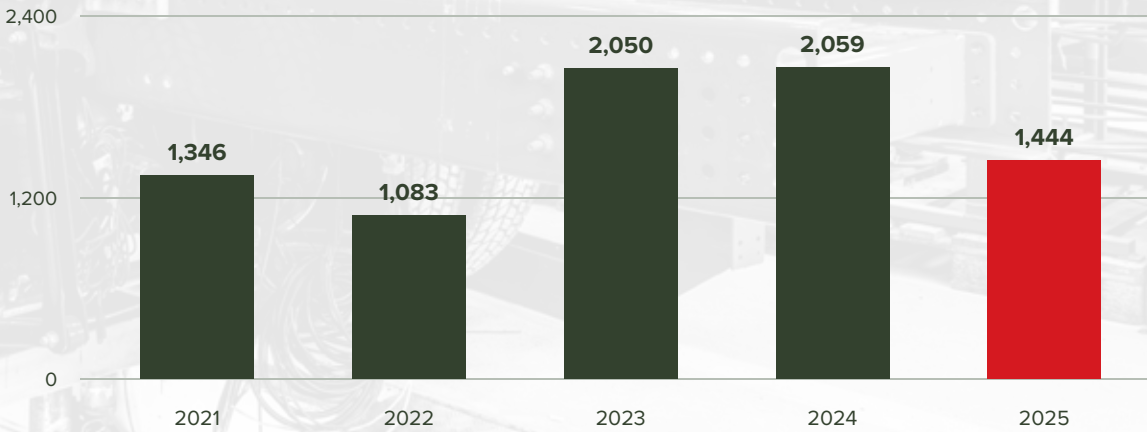
The value chain

Scope 3 accounts for most of our carbon footprint. We maintain an ongoing dialogue with suppliers on greener materials and better CO2 data.

Total CO2 emissions (tonnes CO2e)



Energy use (MWh)



Source: Klimakompasset 2021-2025. The 2025 CO2 figure is based on improved data; see page 22.

Better data quality

We actively improve the quality of our emissions data. In 2026, we undertook a major methodological review and introduced a new, traceable method for calculating scope 3.

Hybrid model

Supplier-specific, EPD and activity-based data are used where available, with spend-based factors as a documented fallback.

From kroner to kilos

We are progressively replacing spend-based average factors for major purchases with product-specific LCA and EPD values that reflect actual material use.

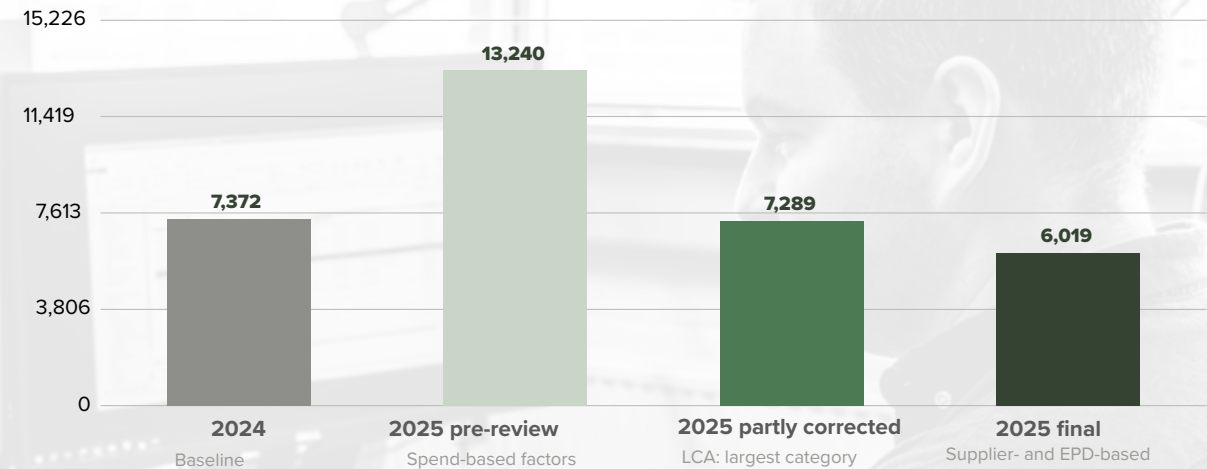
Traceability at every step

Material flows across subcontractors are separated to avoid counting the same material twice. All methodological choices are documented so calculations can be repeated and verified.

Line-item data

Line-item data already cover 87.4% of invoice value for selected product groups, a share we expand each year.

Impact of better data: 2025 emissions (tonnes CO2e)



The 2025 total of 6,019 tonnes CO2e was calculated in Klimakompas using improved data. The data, rationale and sources for each chart are documented in a separate appendix.

Our market increasingly demands emissions documentation, such as Product Carbon Footprints and reduction plans. Climate requirements carry more weight in public tenders. Credible, traceable emissions reporting is therefore a competitive factor as well as an environmental measure.

From spend to weight

Line-item data now cover 87.4% of invoice value in the product groups included.



CASE

The largest expansion in the company's recent history

New hall, 2026

We are building a new **1,450 m²** production hall at our Gistrup site, due for completion in 2026. The hall is designed for energy-efficient operation and a good working environment.

The roof will feature a **32 kW** solar installation, contributing to on-site electricity generation. The hall is insulated and sealed to the latest building standards and designed for efficient workflows. All work zones will have modern ventilation and extraction.

The extension accommodates recent growth and prepares production for future requirements, including those of defence customers.

What the hall delivers

- On-site power generation from rooftop solar panels
- Better flow between assembly and testing, with fewer internal movements
- Modern ventilation and extraction in all work zones
- Space for growth driven by defence orders

1,450

SQ. METRES

32 kW

SOLAR POWER

2026

COMPLETED



Environmental action on site

As part of our ISO 14001 environmental management, we systematically remove environmental risks and reduce resource use at our Hadsundvej site.

Oil tanks decommissioned

All underground oil tanks on site have been decommissioned in line with regulations and documented to the authorities, permanently removing a historic soil contamination risk.

Heating and ventilation

District heating has replaced oil boilers in the test and paint hall, and ventilation recovers waste heat. Paint booth heating has switched from oil to LPG, reducing the booths' CO₂ emissions by 27% and SO₂ emissions by 99%.

Extraction and air quality

New welding cells have been installed with modern local exhaust ventilation, and additional room extraction in the paint department is included as a measure for 2026. Filters and exhaust outlets are systematically inspected and documented in line with regulatory requirements.

Compressor and power

The large compressor has been relocated to serve production more effectively and reduce idle running. In 2026, gas and power lines were installed in the floors, and welding gas is supplied from a central argon system instead of individual cylinders.

Water and drainage

Water from pressure testing is reused, and taps have water-saving features.

Rainwater and climate adaptation

We are exploring rainwater basins, drainage upgrades to handle higher rainfall and rainwater harvesting. This would replace drinking water for testing and washing while easing pressure on drains during cloudbursts.

A LOOK AT PRODUCTION

Equipment and working processes on site.



Container assembly



Welding in component production



Assembly in the tank department



Sanding in the paint department

Waste management

In 2025, recycling reached 64%, or 67% including further processing.

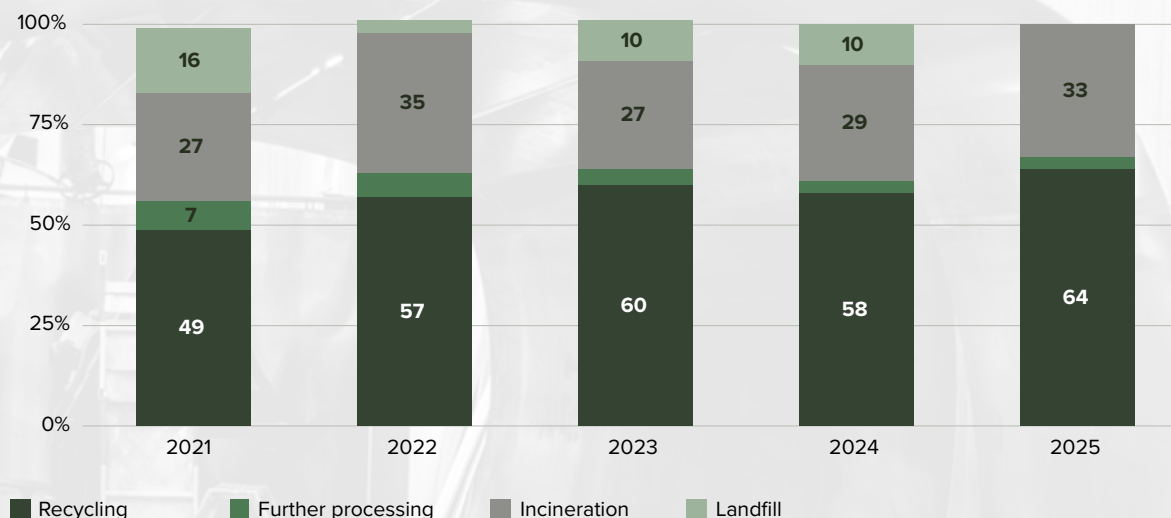
Waste sorting in operations and production is central to our ISO 14001 work. All waste containers are labelled and colour-coded to support correct sorting. Volumes are reported annually to the Danish Environmental Protection Agency's Waste Data System.

Iron and metals form our largest waste stream, mainly sheet offcuts from aluminium tank production. We optimise sheet use to minimise scrap and send the offcuts for recycling.

Hazardous waste, such as paint, solvents and oily waste, is handled in separate labelled containers and collected by approved contractors.

Our aim remains to reduce total waste and further increase recycling, including through better sorting at source.

Waste by treatment method (%)



Source: HMK Bilcon waste data 2021–2025. Total volume in 2025: 138 tonnes.

Aluminium: product and resource

Sheet offcuts from tank production are our largest waste stream and are recycled.



Improvements 2025–2026

Measures in production, buildings and management systems. Measures marked 2026 were initiated or completed in 2026.

- New power contract: 100% Danish renewable electricity through VE- certificates
- 2.5-tonne electric forklift purchased
- Fifth welding manipulator commissioned
- New welding cells with modern extraction
- Production floors repainted
- New doors with improved insulation
- All underground oil tanks on site decommissioned
- Large compressor relocated for better utilisation and lower power use
- Recycling rate increased to 64%
- Annual satisfaction surveys introduced
- Sound-absorbing Troldekt panels and acoustic barriers in production
- 2026: EcoVadis rating improved from bronze to silver
- 2026: External noise survey with personal exposure measurements
- 2026: Additional room extraction in the paint department
- 2026: Gas and power in floors; central argon supply
- 2026: Refurbished changing facilities in testing and painting
- 2026: Construction of a new production hall

Social matters

Good, safe working conditions underpin a sound business. We systematically promote safety, wellbeing and an inclusive workplace that trains the next generation of skilled workers.

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IN FOCUS · WORKPLACE ACCIDENTS

40% fewer

From 20 minor workplace accidents in 2024 to 12 in 2025. Absence: 1-3 days per accident.

Health and safety

Minor workplace accidents fell from 20 in 2024 to 12 in 2025, a reduction of 40%.

Our health and safety organisation comprises four supervisors and four employee representatives. They meet eight times a year to address workplace assessment action plans and ongoing improvements.

Systematic reporting

Since 2024, all incidents, including minor ones, have been consistently recorded. This provides a stronger basis for root cause analysis and prevention, enabling targeted efforts to reduce accidents.

Noise in production

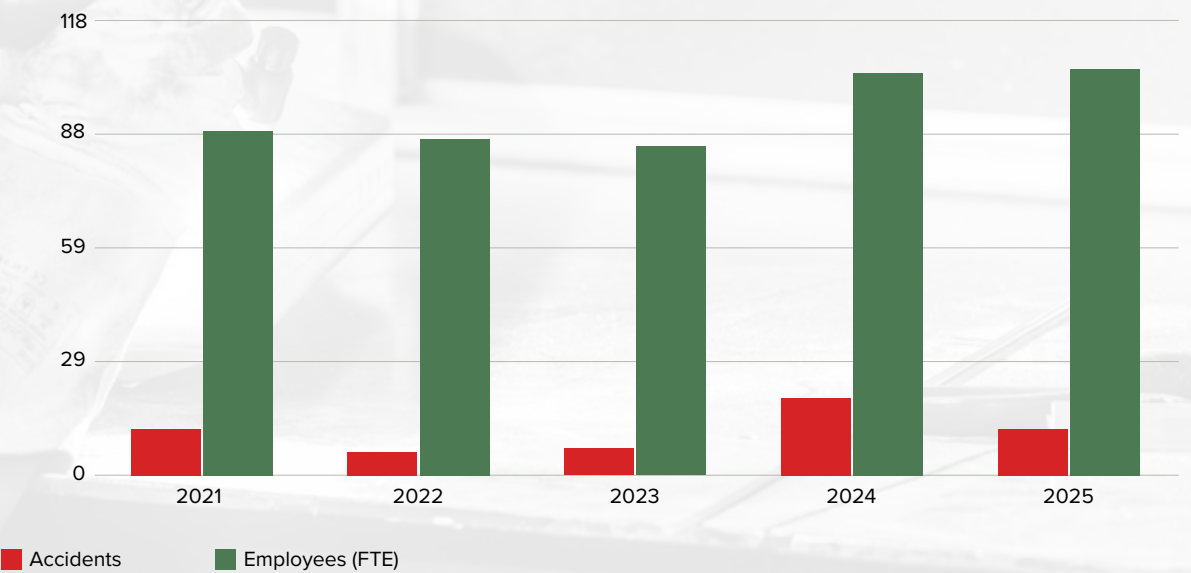
The many hard surfaces in a production environment reflect sound back into the room. We have therefore installed sound-absorbing Troldekt panels on ceilings and walls and as partitions between production zones. In 2026, we also commissioned a professional external noise survey with personal exposure measurements. This gives us a precise basis for prioritising further measures, such as higher acoustic barriers, vibration-damping materials and quieter tools.

Cleaner air

New welding cells with modern local exhaust ventilation improve air quality. Additional room extraction in the paint department is included as a measure for 2026.



Workplace accidents and employee numbers



Note: Recorded workplace accidents are minor, non-serious accidents resulting in 1-3 days of absence per accident. Since 2024, all incidents have been recorded consistently.

Our people

HMK Bilcon is a member of Dansk Industri and follows the Industrial Agreement. Our hourly paid employees are unionised, and we belong to DI Lærepladsfællesskabet.

Apprentices and students

We always employ more apprentices than required for a company of our size. Our target is for apprentices to account for 10% of employees. We also employ student assistants from Aalborg University.

An inclusive workplace

We act responsibly in all employment relationships and employ people in flex jobs and subsidised roles. Benefits include a pension scheme, healthcare plan, free flu vaccinations, a staff association and a breakfast scheme.

Gender diversity

We employ seven women and continually seek to recruit more into relevant roles. Women make up 14% of management. Our industry has a marked gender imbalance among applicants, and we closely monitor developments.

Key metric	Unit	2021	2022	2023	2024	2025
Full-time employees (FTE)	number	89	87	85	104	105
Apprentices	number	9	9	9	8	6
Flex-job employees	number	3	3	3	3	3
Senior-job employees	number	2	2	2	1	2
Gender diversity, workforce	%	10	14	13	12	6.7
Gender diversity, management	%	14	14	29	29	14
Sickness absence	% of FTE	2.05	2.45	2.88	2.95	3.4
Workplace accidents	number	12	6	7	20	12

Source: HMK Bilcon's payroll and HR system and internal absence records.
Note: Recorded workplace accidents are minor, non-serious accidents resulting in 1-3 days of absence per accident.



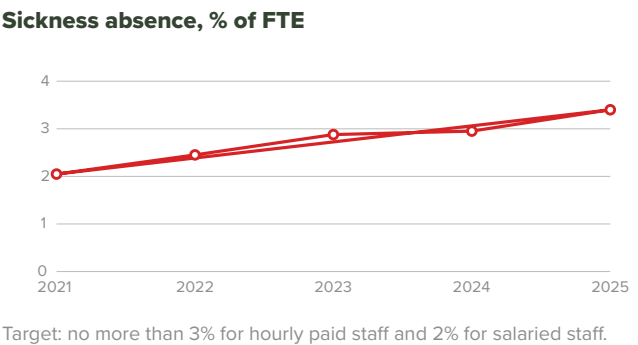
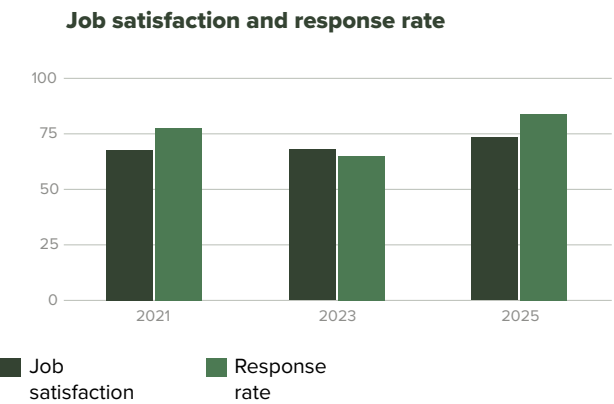
Wellbeing and sickness absence

Satisfaction

We conduct satisfaction surveys with CO-industri, annually from now on. The 2025 score of **73.3** exceeds the national average of 71.7 and is up from 68 in 2023. The response rate of 84% is our highest yet. The cooperation committee is following up the results and implementing improvements.

Sickness absence

Our sickness absence targets are a maximum of 3% for hourly paid staff and 2% for salaried staff. In 2025, absence reached **3.4% of FTE**, exceeding our target. Our sickness absence policy ensures prompt follow-up. The cooperation committee closely monitors absence to bring it down again.



Corporate governance

Running a sound and responsible business matters to us. As part of our ESG work, we have reviewed our business policies to ensure they meet current requirements and our customers’ expectations.

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IN FOCUS · ISO CERTIFICATIONS

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Quality (ISO 9001), environment (ISO 14001), welding (3834-2) and information security (ISO 27001).

Business policies

Our policies guide day-to-day operations. Reviewed and updated as part of our ESG work, they are embedded in our management systems.

Whistleblowing scheme

Introduced in 2024 through the Danish Data Protection Agency's scheme, it enables employees, customers and suppliers to report unlawful conduct without fear of retaliation. Reporting is anonymous. No reports were recorded during the reporting period.

Quality policy

Based on ISO 9001:2015, the policy ensures customers experience quality and professionalism in our products and staff. Non-conformities are systematically recorded and used to support continuous improvement.

Environmental policy

Based on ISO 14001:2015, with ongoing environmental targets and a focus on pollution prevention. It guides our work on energy, waste, chemicals and water and is reviewed at the annual management review.

IT security policy

Introduced with ISO 27001:2022 and supported by an acceptable use policy setting requirements for all employees using our IT systems. It is backed by access controls, backups and regular awareness training.

Health and safety policy

Health and safety inform decisions on new technology and equipment, workplace design and organisational change. Statutory workplace assessments are conducted every three years, with action plans followed up by our health and safety organisation.

Code of Conduct

Applies to employees and suppliers, covering human rights, fair working conditions, the environment and anti-corruption. The code has been updated to meet customers' growing expectations for value chain transparency.

Privacy policy

Compliant with GDPR and other laws on collecting and storing personal data. The policy explains which data we process, for what purpose and how long we retain them.

Procurement policy

Our framework for selecting and monitoring suppliers. Alongside price, quality and delivery, we assess environmental and emissions documentation and compliance with our Code of Conduct.

Policies in practice

Policies are reviewed in the annual management review and form part of new staff induction.



Quality and certifications

We manufacture high-quality products with the industry's longest service life. Certifications assure quality and are essential for supplying Europe's defence industry.

ISO 9001:2015 - quality management

We work to ISO 9001 and manufacture high-quality products with the industry's longest service life. Certification helps us optimise workflows, reduce errors and pursue systematic improvements.

ISO 3834-2:2021 - welding

We meet the quality requirements for fusion welding of metallic materials. We also hold certifications to EN 13094:2020+A1:2022 (ADR 2025), DS/EN ISO 9606-2, DS/EN ISO 10042:2018 for aluminium and DS/EN ISO 13445-4:2021+A1:2023 for pressure vessels.

DIN 2303 Q2BK1 - German welding certification

Obtained in 2022, this qualifies us, as a supplier to Europe's defence industry, to weld critical components in various metals to German welding standards.

ISO 14001:2015 and ISO 27001:2022

This is complemented by environmental management under ISO 14001:2015 (page 19) and information security under ISO 27001:2022 (page 34).



Information security

In December 2024, we achieved ISO 27001:2022 certification for information security.

As a defence industry supplier, we prioritise cybersecurity and continually raise our security standards. We are also strengthening IT security requirements across our value chain so that suppliers meet the same standards.

ISO 27001:2022 focuses on systematic information and risk management. Certification is subject to third-party audits and annual review.

How we work

- Risk assessment and management
- Access control
- IT security policies
- Personnel security
- Physical security (buildings, equipment)
- Backup and contingency planning
- Monitoring and improvements
- Awareness training

New IT systems will streamline documentation and processes, so data are recorded once and reused across quality, environmental and emissions reporting.



CASE

An independent assessment of our sustainability work

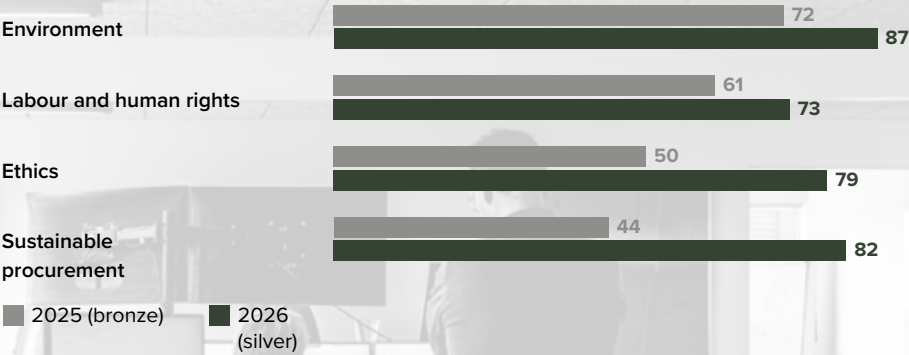
EcoVadis - from bronze to silver

EcoVadis is one of the world’s largest independent platforms for rating corporate sustainability across four areas: environment, labour and human rights, ethics, and sustainable procurement. The rating provides evidence of responsible supplier management and is increasingly requested by our customers, particularly in defence.

In 2026, HMK Bilcon moved from bronze to silver. Our overall score rose from 62 to **79 out of 100**, placing us in the **93rd percentile** – within the top 15% required for silver (bronze: top 35%).

All four assessed areas improved, reflecting updated policies, structured KPIs, much better emissions data and an updated Supplier Code of Conduct.

Score by area (0–100)



2025 · BRONZE

62/100

68th percentile



2026 · SILVER

79/100

93rd percentile · valid until July 2027



Scan to view our EcoVadis rating

Data

This section brings together the report’s key metrics, targets and management statement. The data, rationale and sources for each chart are documented in a separate appendix.

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ESG key metrics
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Targets for 2026
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Management statement

IN FOCUS · YEARS REPORTED

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Comparable data for 2021 to 2025.

ESG key metrics

Key figures	Unit	2021	2022	2023	2024	2025
ENVIRONMENT						
Scope 1	tCO2e	230	213	230	192	160
Scope 2 (market-based)	tCO2e	43	36	95	103	42
Scope 3	tCO2e	4,647	3,808	5,096	7,077	5,817
Total CO2e	tCO2e	4,920	4,057	5,421	7,372	6,019
Energy consumption	MWh	1,346	1,083	2,050	2,059	1,444
Total waste	tonnes	137.4	89.8	134.3	127.3	138.3
Recycling	%	49	57	60	58	64
SOCIAL MATTERS						
Full-time employees	FTE	89	87	85	104	105
Apprentices	number	9	9	9	8	6
Flexi-job employees	number	3	3	3	3	3
Senior scheme employees	number	2	2	2	1	2
Gender diversity, organisation	%	10	14	13	12	6.7
Gender diversity, management	%	14	14	29	29	14
Sickness absence	% of FTE	2.05	2.45	2.88	2.95	3.4
Workplace accidents	number	12	6	7	20	12
Job satisfaction	index	67.6	–	68.0	–	73.3
GOVERNANCE						
EcoVadis score	points	–	–	–	–	62
ISO certifications	number	2	2	2	3	3

Climate figures: Klimakompasset, following the Greenhouse Gas Protocol. Scope 2 is market-based. – indicates missing data. Job satisfaction is measured biennially up to and including 2025, then annually. Workplace accidents: minor, non-serious accidents resulting in 1-3 days of absence per accident. EcoVadis: 62 points in 2025; 79 points and silver in 2026 (see page 35).

Targets for 2026

Four focus areas set the direction for 2026, alongside the new production hall and solar PV system.

01

Better waste management

Reduce total waste and further increase recycling through better sorting at source and closer dialogue with waste contractors.

02

Safety

Reduce workplace accidents through root cause analysis and prevention, and follow up the noise survey with further noise reduction measures in production.

03

New sandblasting equipment

Invest in new sandblasting equipment to improve working conditions and reduce waste from blasting media.

04

Rainwater harvesting

Explore rainwater harvesting to replace drinking water for testing and washing, while easing pressure on drains during cloudbursts.

Climate

Further improve scope 3 data, focusing on metal components and steel, the two largest categories.

Energy

Commission the 32 kW rooftop solar installation on the new production hall and further improve energy efficiency in existing buildings.

Value chain

Roll out the updated Code of Conduct and collect emissions documentation from our largest suppliers.

Management statement

HMK Bilcon A/S's ESG report covers the 2025 financial year (1 January - 31 December) and also provides insight into key events in 2026.

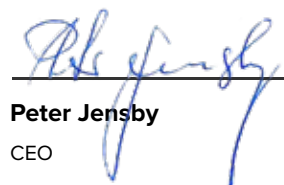
This voluntary report follows the methods underlying the CSRD and ESRS and the voluntary VSME standard for small and medium-sized enterprises. Emissions data are calculated using the Danish Business Authority's Klimakompas in accordance with the Greenhouse Gas Protocol.

In our opinion, the report fairly reflects the company's work on environmental, social and governance matters during the reporting period.

Events in 2026 are reported separately and are not included in the 2025 ESG key figures.

The report has not been audited by an independent third party.

Gistrup, September 28th 2026



Peter Jensby
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