



K.A. Rasmussen
NORWAY



**Sustainability
report 2022**

Introduction

There is an increased expectation that value should be created in a responsible and sustainable way. We must adapt to harmonize with UN's sustainability goals. In 2021, K.A. Rasmussen established a strategy for our work with becoming a more sustainable business towards 2025. This strategy is built around the five UN sustainability goals where we see that our company has a real possibility of making positive contributions. From these five goals (shown below), we have formulated a set of sustainability commitments to concretise the strategy. K.A. Rasmussen is an multinational company, and part of the strategy is to expand this sustainability reporting to include all subsidiaries. As of 2022, this report only covers our activities in Norway.

The purpose of this report is to show stakeholders and any interested party how K.A. Rasmussen work with sustainability. It is structured in accordance with the three dimensions which constitutes sustainable development, which are: social relations, climate and environment and economic relations.

K. A. Rasmussen's Sustainability Goals



The UN's sustainability goal is to have a common global workplan on how to rid the world of poverty, erase differences and to stop climate change by the year 2030.

This plan consists of 17 goals and 169 sub-goals which will act as a guideline for governments, companies, and the civil society globally. Sustainable development is often defined as "development which meets the needs of today, without hurting possibilities for future generations to meet their needs".



A few words from the CEO

K.A. Rasmussen AS shall be a company that takes clear responsibility. Responsibility for our planet, our health, our environment, our safety and our talents. Sustainability strategy is also a rational strategy that is not new to K.A. Rasmussen. For 150 years, we have focused on taking care of the metals we work with in a good way. All our employees are committed to trying to get better and we are absolutely certain that going for zero emissions will be key for all business activities for being able to compete in the future. However, it is not just about success. It's about responsibility. Not only to our stakeholders, but just as much to ourselves.

Personal safety



Social sustainability all about how all human beings should have the same opportunity for a stable and healthy life, to educate them self, work and live without any discrimination. A central part of our sustainability work encompasses our social responsibility to create stable and secure jobs. Our employees are our most valuable resources, and at our heart is to create a good work environment and to secure diversity, a safe place to work, fair salary and conditions, and equality.

Many of our employees have tasks that are associated with high risk. That is why work safety is a high priority at our facilities. Since we work with high value metals, we are a target for robbery, threats, and other economic criminality. In addition to this, many of our employees work with strong chemicals, high temperatures and heavy machinery. This leads to strict requirements regarding in-house safety routines, and we have a zero target for accidents and injuries.

	2022		2021		2020	
	Count	H1	Count	H1	Count	H1
Injuries H1						
Employee	0	0	0	0	0	0

	2022		2021		2020	
	Count	H2	Count	H2	Count	H2
Injuries H2						
Employee	0	0	2	16,1	0	0

H1-value: Injuries resulting in absence for every 1.000.000 working hours. 12 months continuously measured.

H2-value: Injuries where medical treatment is done/ rearranged work is set in place for every 1.000.000 working hour. 12 months continuous measurement.

Sick leave	Unit	2022	2021	2020
Self-reported	%	1,90	1,54	1,22
Doctor prescribed sick leave	%	2,12	3,52	5,28
Total	%	4,02	4,86	6,50

Working environment and diversity

K.A. Rasmussen shall be a safe and solid employer where every person feels seen and heard, and everyone should be allowed to develop their skills. To measure our quality on these points, we do an employee survey every three years where our goal is to see a positive trend in the scores for each new survey. We also have the goal of being above the national average score on employee satisfaction.

K. A. Rasmussen strives to promote equality, prevent discrimination, and increase diversity. The work for equality and non-discrimination has therefore been included in the personnel policy.

We have also examined statistics for immigrant background among the population in Hamar municipality (source: municipal facts from Statistics Norway) to compare with statistics on our own employees. K. A. Rasmussen is located here at approx. 75% of the society around us. For future recruitment, we have drawn up a policy which ensures that everyone poses the same opportunities regardless of ethnicity, gender, religion etc. When the jobs of the future are to be created and the climate challenges are to be solved, we are dependent on recruiting wise minds from the entire population.

K. A. Rasmussen launched its ethical guidelines in 2022. Here, among other things, there is also a focus on equality, individual differences and prevention of discrimination.

Employees	Unit	2022	2021	2020
Employees by 31.12	Count	71	69	70
Employees in 100% positions by 31.12	%	91,6	91,3	92,9
Turnover	%	18	15,66	12,16
Apprentices by 31.12	Count	0	0	0
Trainees by 31.12	Count	1	2	1

K.A. Rasmussen as an employer

<i>Satisfaction and motivation among employees</i>	Unit	2022	2021	Last time measured
Response rate AMUS*	%	-	88 (61)	92 (60)
Average score	AMUS*-index 0-100	-	76	63
Benchmark score	as above	-	61	61
Employees who have had a yearly performance talk with their leader	%	93,8	98,5	86,4

** AMUS = Working environment questionnaire through Salutis HMS, quality ensured and based on QPS-Nordic.*

Planned carried out every three years, starting in 2021.

Gender distribution		2022		2021		2020	
		Women	Men	Women	Men	Men	Menn
People in KAR Norway	Count	22	49	24	45	24	46
People in manager group	Count	3	7	4	7	3	7
People in board of directors	Count	2	6	1	7	1	7
People in parental leave	Count	2	1	2	2	0	1
Length of parental leave*	Count*	11	6,5	19,2	12,0	0	14,6
Temporarily employed people	Count	1	2	2	1	2	3
Part time workers	Count	4	2	4	2	3	2
Involuntarily part time workers	Count	0	0	1	0	0	0
Newly hired employees**	Count	2	9	1	5	5	7

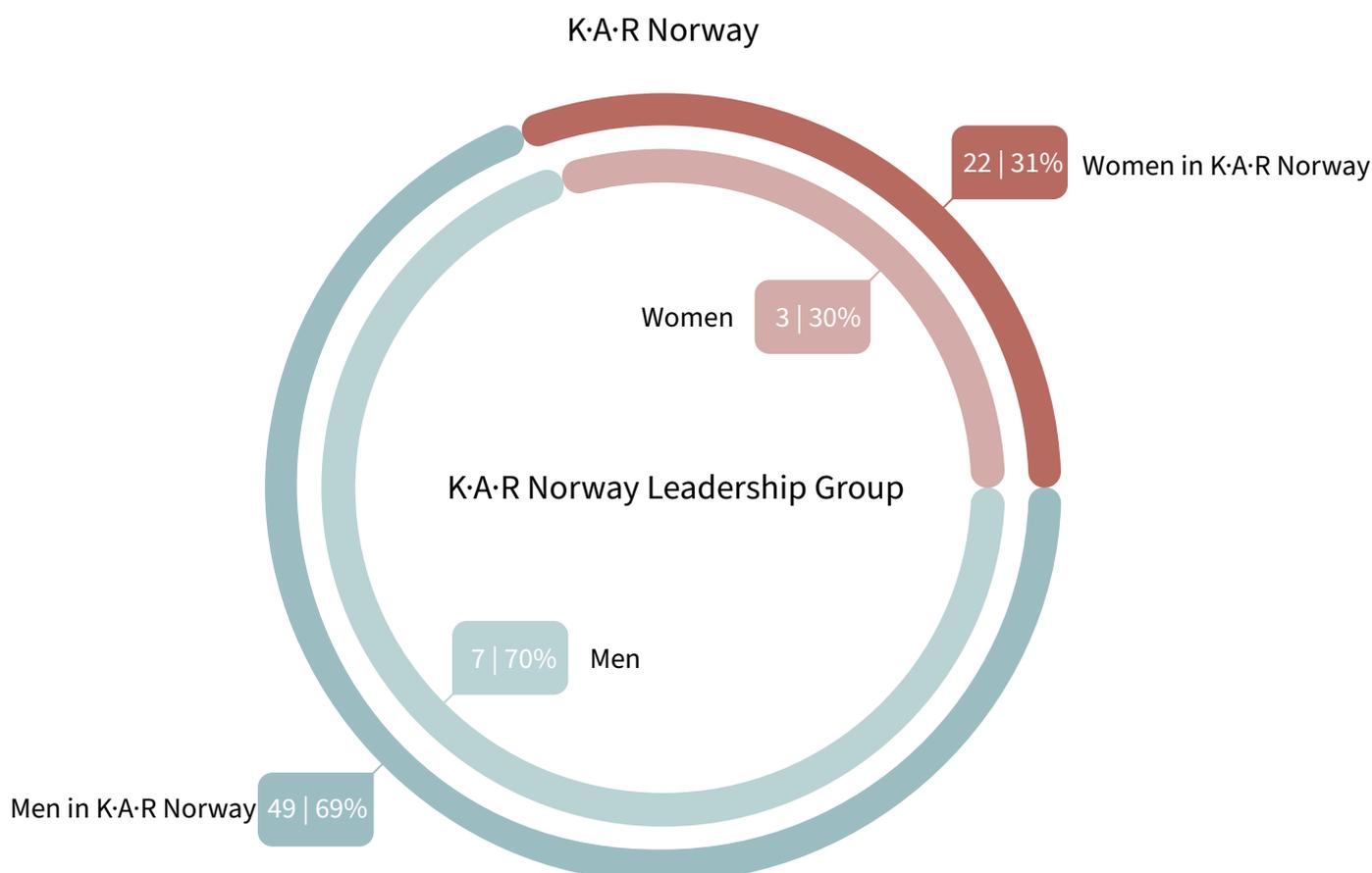
* Shown as average number of weeks

** Including planned substitutes, not summer interns

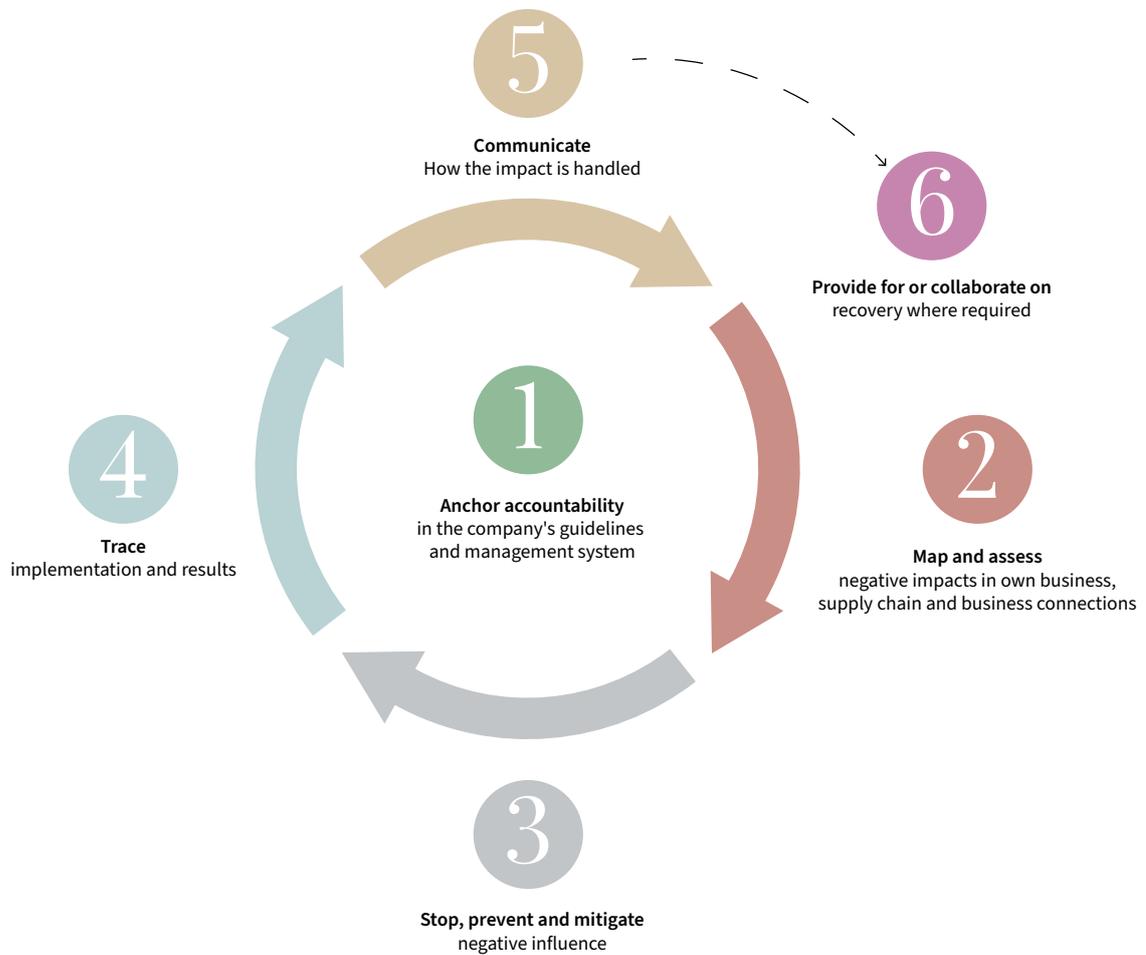
Equal pay comparison	Unit	2022	2021	2020
Average pay of women compared to average pay for all employees	%	99,0	95,4	N/A
Average pay of men compared to average pay for all employees	%	100,5	102,4	N/A

For detailed information on this topic, please see our statement for “Arbeid for likestilling og ikke-diskriminering” on our website.

Gender distribution in K·A·Rasmussen



Due diligence assessments



A project group was created in 2022 to work with requirements in relation to the Transparency Act. Several of the participants completed courses to ensure correct competence for the work. The six steps in the OECD's guide for due diligence assessments were adopted and new routines were drawn up.

Working with due diligence assessments does not mean that a business has no negative impact on people, society and the environment, but that the business is open and honest about challenges and handles this in the best possible way in consultation with its stakeholders.

As part of the work, all active suppliers to K.A. Rasmussen AS was mapped and risk assessed in accordance with which areas the suppliers are located, and which risks each country represent. See on next page.

Due diligence assessments

Country	Number of suppliers	Risk classification
Norway	>200	Low
Germany	93	Low
Sweden	53	Low
Italy	37	Medium
United kingdom	27	Low
Switzerland	15	Low
USA	12	Low
Denmark	10	Low
Belgium	7	Low
France	2	Low
Estonia	2	Low
Taiwan	2	Medium
Spain	2	Medium
Ireland	2	Low
Finland	2	Low
Turkey	2	Medium
Australia	2	Low
Poland	1	Medium
Greece	1	Medium
Israel	1	High
China	1	High
Austria	1	Low
The Czech Republic	1	Medium
Japan	1	Low

It was decided that in the first round of evaluation, the suppliers that K.A. Rasmussen AS has traded with for the highest amounts in areas with medium or high risk, and with which we also expect to have an active relationship within the future, priority is given. 10 suppliers were identified, and these were sent Corporate Social Responsibility forms to complete. The forms included questions about HSE, discrimination, the environment, corruption, and financial crime. All suppliers returned completed forms. The responses were jointly evaluated, and it was considered that no further action was necessary against these suppliers. No significant risk of negative consequences, violation of basic human rights and/or indecent working conditions was thus uncovered.

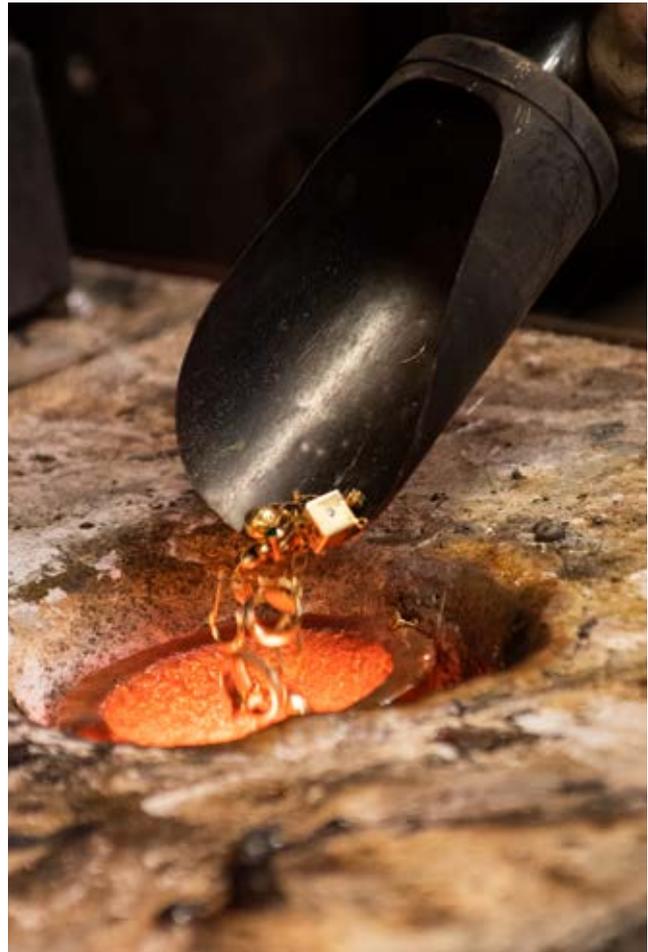
Measures The transparency Act	Unit	2022	2021	2020
Number of CSR forms sent to suppliers	Count	10	-	-
Number of answered CSR forms	Count	10	-	-
Number of completed due diligence assessments	Count	10	-	-

CSR: Corporate social responsibility

In this way K.A. Rasmussen AS followed its internal procedure for compliance with the Transparency Act in 2022. In 2023, the procedures are to be implemented throughout the group.

Environment

K.A. Rasmussen plays an important role to the circularity of our business through the influence of being one of the market leading Nordic companies in precious metal recycling. To extract precious metals from mines requires large amounts of resources, as well as being a source for hazardous emissions to the environment. Recycling offers a more environmentally friendly source for precious metals. It is possible to recycle and recover these metals for a multitude of cycles, without the quality dropping below acceptable levels. Recycling of course also has its faults, as it involves extensive use of strong chemicals, but developments in technology and knowledge continuously reduce the environmental footprint of these processes. A goal for our company is to reduce the use of chemicals per amount refined metal by 20% by 2025, compared to 2020 levels. Additionally, we continuously search for



substitutes for the most health and environmentally hazardous chemicals in use.

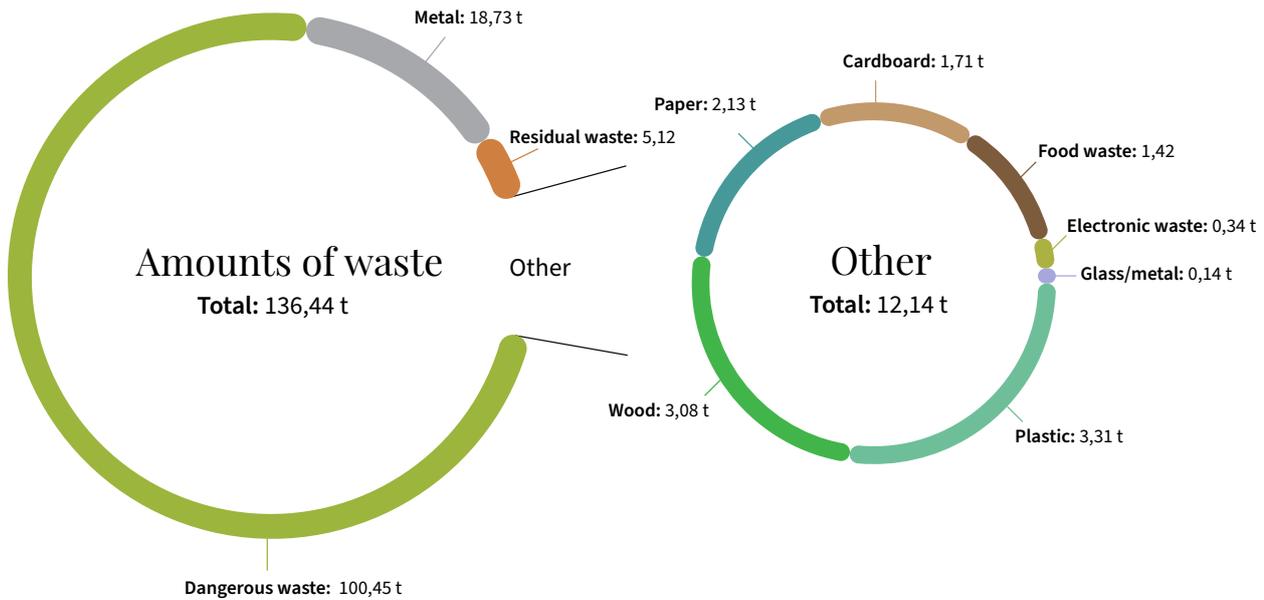


Recycled gold

100%

K.A. Rasmussen cares about having the lowest negative impact on the environment. The factory is located close to housing and leisure areas, which has driven the factory to build solid systems to rinse waste-water and gas from production. We won the "Industriforbundets miljøpris", an environmental efforts recognition, already back in 1981, and we have been registered and comply with the ISO 14001-standard since 2014. We continuously follow developments within rinsing technology of water and gas and are quick to investigate and try new and promising methods to improve our current processes.

Another important area for K.A. Rasmussen is to reduce the amount of waste produced in our value chain. We are proud to have a very low amount of mixed general waste from our sites since we take the time to sort our waste into different waste types. A lot of our waste classify as hazardous waste, which we work close with our waste management suppliers to handle in the best fashion. It is well known that reuse is more resource efficient than recycling, so we focus on reusing cardboard and wrapping for new shipments. We also receive most of our chemicals on IBC-containers which we deliver back for reuse. In 2022 we returned 65 such containers. This alone gives environmental savings of 2,5 ton steel, 1,0 ton plastics and 7,0 ton CO₂ emissions, compared to producing these once more.



Types of waste	Unit	2022	2021	2020
Cardboard	ton	1,710	2,331	2,820
Paper	ton	2,138	1,995	2,220
Scrap metal	ton	18,730	37,340	5,960
Food waste	ton	1,427	0,724	0,523
Wood	ton	3,080	7,480	5,940
E-waste	ton	0,340	0,730	0,980
Inert waste	ton	-	2,740	3,380
Plastic	ton	3,310	0,960	3,430
Glass- and metal packaging	ton	0,140	-	-
Garden waste	ton	-	4,220	0
Residual waste	ton	5,120	6,470	7,840
Hazardous waste	ton	100,450	115,890	60,563
Degree of sorting	%	96,25	96,42	91,63

Yearly total emissions to air	Unit	2022	2021	2020
NO _x	ton	2,17	2,23	2,52
SO ₂	ton	0,66	0,83	0,62
NH ₄ [*]	ton	0,0002	-	-
Dust particles [*]	ton	0,11	-	-
Dioxins and furans [*]	grams	0,00003	-	-

Estimates based on calculations

^{*}New requirements for emission reporting from 2022

Yearly total emissions to water	Unit	2022	2021	2020
Ag	Kg	0,22	0,43	0,21
Cu	Kg	1,99	2,39	2,46
Zn	Kg	2,63	1,49	1,47
Ni [*]	Kg	3,35	0,62	-

All emissions are well within the concession in place for this industry

^{*}2022 was the first full year for reporting of nickel emissions

Environmental incidents	Unit	2022	2021	2020
Serious environmental incidents ¹	Count	0	0	0
Small environmental incidents ²	Count	5	1	2

¹⁾ An incident which causes serious and/or irreversible change to the environment

²⁾ An incident which causes a small and non-permanent change to the environment



Climate

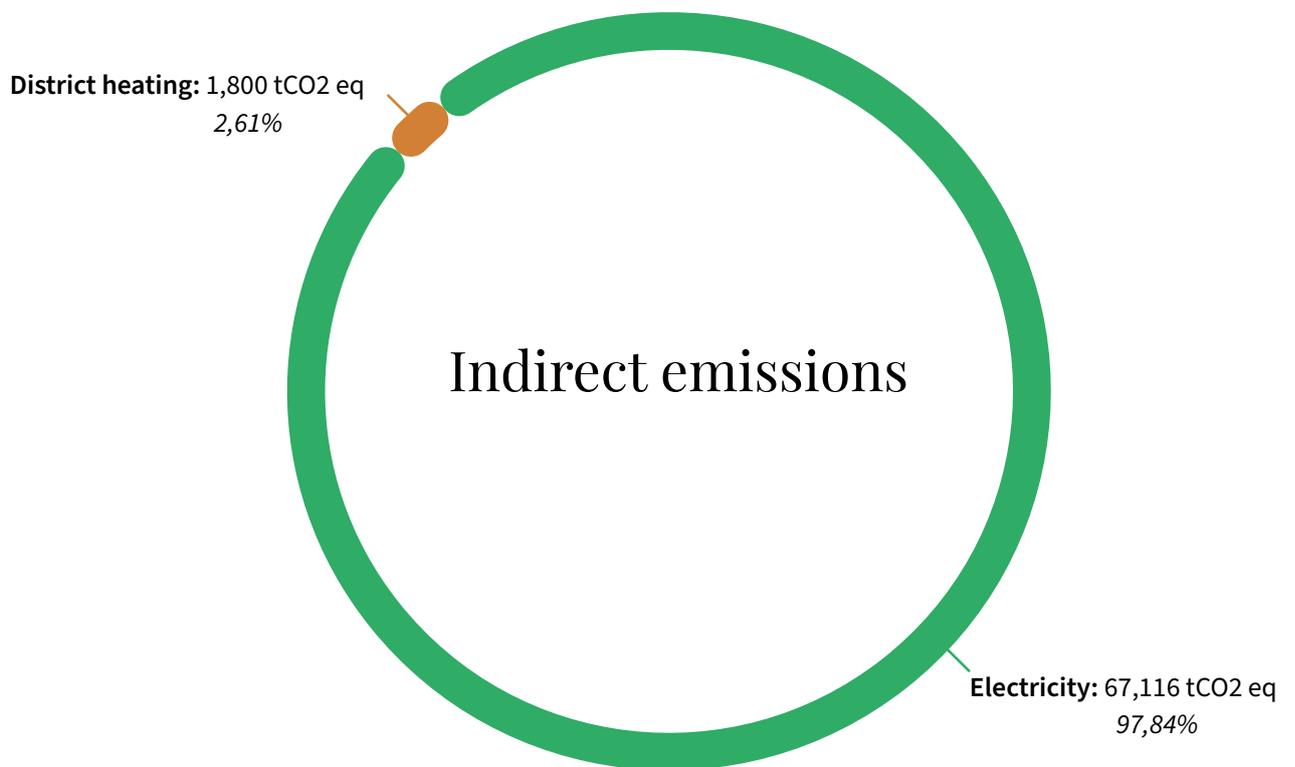
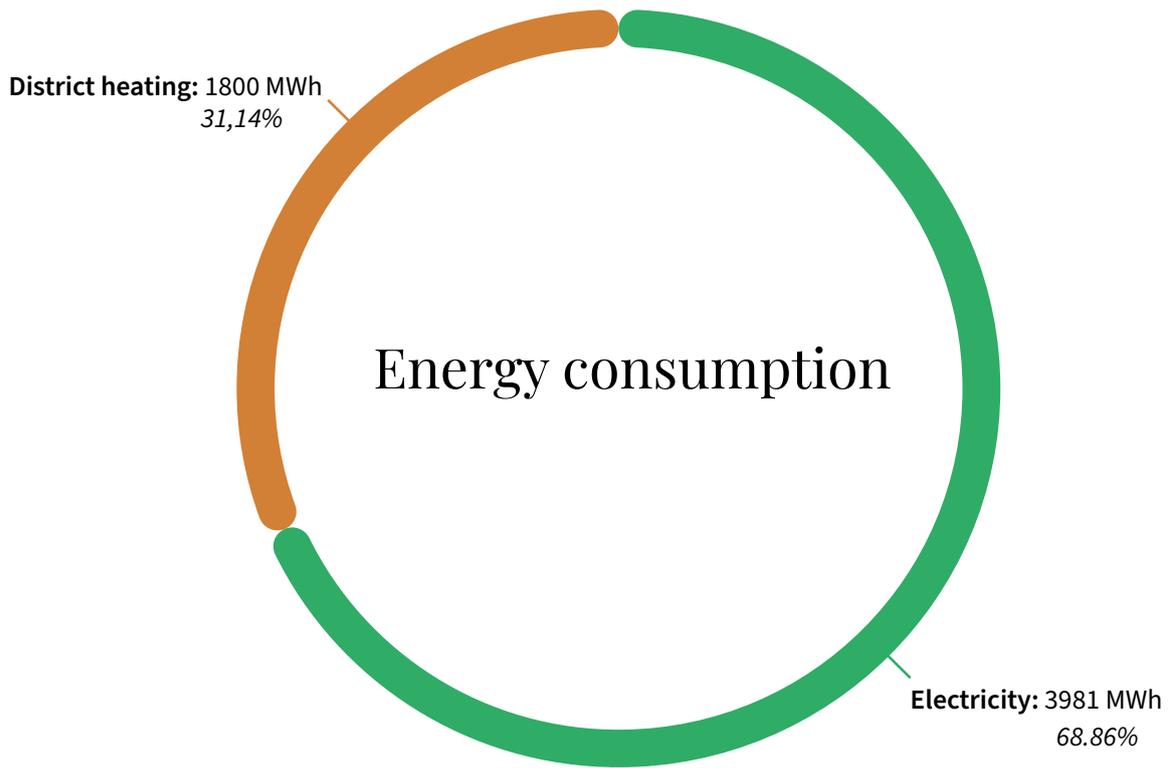
K.A. Rasmussen started accounting CO₂-emissions for its activities in Norway in 2021. Looking at total CO₂-emissions, it is clear that the production processes are not a large source of direct carbon emissions, but that the main contribution stems from energy consumption and transport. In 2023, the work to expand our CO₂-accounting to include all K.A. Rasmussen sites globally begins. This will show our most negative impact areas on the environment and make us able to target our measured where they matter most. Already, a focus group tasked with finding and carrying out measures to reduce energy consumption has been established. Amongst other measures, K.A. Rasmussen upgraded our district heating system in 2022 to become more modern and energy efficient.

Our employees are our most valued assets, this too when we look at sustainable development. We value having motivated employees who strive to lead K.A. Rasmussen in the right direction.

Energy consumption	Unit	2022	2021	2020
Electricity Hamar	MWh	3948	3434	3485
Electricity Oslo	MWh	33	34	35
District heating	MWh	1800	2052	1616

CO ₂ -emission equivalents, Norway	Unit	2022	2021	2020
<i>Direct emissions (Scope 1)</i>				
Propane	tCO ₂ eq.	12,313	12,383	11,977
Other	tCO ₂ eq.	-*	1,071	0,141
<i>Indirect emissions (Scope 2)</i>				
Electricity	tCO ₂ eq.	67,116	58,948	59,840
District heating	tCO ₂ eq.	1,800	2,052	1,616
Total CO₂ emissions	tCO₂ eq.	81,784	74,454	73,574

*Some combustion of organic materials took place, but with no way of measuring precisely. We estimate that this accounts for 50-100 kg CO₂ equivalents total, which makes it negligible compared to other impacts in 2022.s



Business ethics and anti-corruption

There are many challenges associated with having a core business within precious metals. These are metals that have a high value with low volume, at the same time as there is low or little traceability of the metals. This makes them well suited for use in, among other things, money laundering or other corruption. In many countries where the metals are mined, there are also major challenges with illegal financial and arms flows, organized crime, corruption and human rights violations. Due to these challenges, we have chosen to have the UN's sustainability goals 16 "Peace, justice and wellfunctioning institutions" as one of the sustainability goals we will have the greatest focus on, and to which we can make a positive contribution. As part of this work, we are using a digital system to aid our routines for registration and assessment of customer information. The objective of this is to ensure that the metal we receive does not originate in conflict areas, criminal activities or has led to human rights violations. Furthermore, we also ensure that the funds for which customers buy metals come from legitimate sources.

All K.A. Rasmussen employees have a responsibility to notify if matters worthy of criticism are discovered. We believe this will help to develop the company positively. Training has been prepared and provided in routines that, among other things, concern breaches of internal guidelines, e.g. for responsible metal trading, legislation, harassment, discrimination or financial infidelity. No inquiries were received in 2022, neither internally nor externally, regarding notification of business ethics, corruption or working environment.



We act
responsibly

Notification matters	Unit	2022	2021	2020
Total reported incidents	Count	0	0	0
Related to business ethics and anti-corruption	Count	0	0	0
Related to working environment	Count	0	0	0
Sanctions, business ethics and corruption	Unit	2022	2021	2020
Cases where legal or administrative sanctions have been imposed on the basis of significant breaches of business ethics legislation	Count	0	0	0
Fines or fees for significant breaches of business ethics legislation	MNOK	0	0	0

- 1) Inquiries related to business matters, such as work-related crime and questions of impartiality.
- 2) Inquiries related to employees, such as conflicts of interest and discrimination.
- 3) Significant legal sanctions for accounting fraud, corruption.



K&A Rasmussen

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