2025 Enviromental, Social, and Governance (ESG) Report

Primex ehf

Committment to Sustainable Business Practices

At Primex, sustainability has been at the core of what we do from the very beginning. Since 1999, we have been making chitin and chitosan from shrimp shells, a by-product of the Icelandic fishing industry. Previously considered a waste material, we have for over a quarter century, been turning the shrimp shells into a ChitoClear® chitosan, a valuable material that we sell to companies around the world that use it for various useful purposes.

A few years ago, Primex introduced two chitosan-based product lines that are aimed at end users: ChitoCare® Medical, medical devices for wound and dermatology applications, and ChitoCare® Beauty, a range of skin-care and aesthetic products.

We are proud of our Waste-to-Value story and having been an early pioneer in the circular economy creating more value from the sustainably managed fishing industry in Iceland. By extending into end-user products and medical devices, we are in a position to deliver a more enduring impact, whilst improving the lives of our customers and patients.

Primex Sustainability Policy

The Primex Board has approved the following Sustainability Policy.

SUSTAINABILITY POLICY OF PRIMEX EHF.

Purpose

The purpose of this Sustainability Policy is to serve as a guide toward more sustainable operations at Primex ehf. ("the Company").
The policy covers the most significant environmental and climate impacts, social aspects, and governance factors relevant to the Company, and includes key performance indicators and measurable, time-bound objectives. Internationally recognized Nasdaq ESG (Environmental, Social, and Governance) standards form the foundation of this policy.
Primex publishes an annual sustainability report and statement in accordance with accounting legislation, based on the framework established by this policy.

Responsibility

The Board of Directors and the Executive Management of Primex and its parent company Ísfélag approve this policy. The CEO is responsible for its implementation, in collaboration with key managers. The policy and its objectives are reviewed annually, published on the Company's website, and communicated to all managers and employees.

Environmental Matters

Primex is aware of the impact of its operations on the environment and strives to minimize negative effects as much as possible. The Company intends to do so by, among other things:

- Practicing responsible resource utilization in accordance with fisheries management laws.
- Mapping and setting clear goals to reduce greenhouse gas (GHG) emissions.
- Reducing purchases of products with excessive packaging, minimizing waste emissions, and improving efficiency in recycling through measurable means.
- Seeking ways to minimize waste.
- Supporting the circular economy and increasing the reuse rate.
- Mapping climate and sustainability-related risks that may affect the Company.

Social Aspects

It is important to Primex to be an attractive workplace that attracts and retains skilled and reliable employees. It is considered the role of the Company and its management to:

- Promote equality in the workplace.
- Support managers and staff in developing fair and respectful communication.
- Respect diverse perspectives and allow individual talents to thrive.
- Not tolerating bullying, violence, or harassment of any kind.
- Strive to ensure employee satisfaction, safety, and well-being through good working conditions, regular training, and education.

To support these efforts, the Company employs the following tools, policies, and certifications:

- Primex is certified under the Equal Pay Standard ÍST 85:2015 and maintains clear employee, equality, and equal pay policies.
- Regular performance and feedback discussions are conducted between employees and supervisors to promote transparency and improved communication.
- Safety and occupational health training is provided to employees, and active safety committees work to ensure safety for all staff, both at sea and on land.

Primex supports and respects the protection of international human rights in accordance with national legislation and the United Nations Universal Declaration of Human Rights throughout all operations. The Company also respects the UN Convention on the Rights of the Child and strictly prohibits all human rights violations, including forced labour and child labour. Should a supplier, service provider, or partner be found in breach of human rights, the Company reserves the right to immediately terminate the business relationship.

Corporate Governance

The Company recognizes the impact it has on society through its operations and emphasizes sound and ethical business practices in all respects. Customers are of the utmost importance, and the Company strives to provide them with outstanding service. Primex also aims to build strong, trust-based relationships with suppliers and service providers, valuing their role in the value chain.

Primex is a wholly owned company of Ísfélag, which is a publicly listed company on the Nasdaq Iceland and adheres to recognized corporate governance guidelines issued by the Icelandic Chamber of Commerce, Nasdaq OMX Iceland hf., and the Confederation of Icelandic Enterprise, while following International Financial Reporting Standards (IFRS). The Company's Code of Conduct applies to all operations, employees, and contractors.

Through strong corporate governance, Ísfélag establishes a foundation of trust with stakeholders and promotes objectivity, integrity, transparency, and accountability in management. The main stakeholders of the Company are:

- Shareholders.
- Customers.
- Employees.
- Suppliers and service providers.
- Society as a whole, particularly the local communities where the Company operates.

Other key stakeholders include regulators, legislators, investors, interest groups, the media, and financial institutions.

Primex monitors its commitments and communicates progress annually in its financial statements and annual reports.

Environment

We are now taking steps to minimize the environmental impact throughout our product's life cycle and are committed to accelerating our efforts over the coming years.

Our Journey and Sustainability Roadmap

Phase ONE: (2025 and prior) Green Accounting Report	In the past few years, we have been reporting the impact of our manufacturing operation to the Icelandic Environmental Agency in accordance with Icelandic law. This annual *Green Accounting Report* has included information on our energy usage as well as our waste. This report has been solely focused on our operation related to our manufacturing facility and has thus so far not been in an alignment with ESG Nasdaq standards.
Phase TWO: (2026-2029) Initiate ESG Reporting	In 2026, for the year 2025, we will: Begin the journey of measuring and analyzing our Greenhouse Gas (GHG) emissions. Adopt an ESG platform for calculation, analysis, and reporting. Focus on analysing and reporting Scope 1 & 2 GHG emission and some of the key Scope 3 GHG emission in the first years. Identify opportunities to reduce our GHG emission and establish our initial reduction targets. Formalize green procurement strategies in key areas of our operations. We will choose which of the United Nations Sustainability Development Goals (SDGs) we will want target as a blueprint to integrate sustainability into our core business practices. We will continue to submit our *Green Accounting Report* to the Icelandic Environmental Agency, as required.
Phase THREE: (2030-2039) Establish ESG Goals and Timelines, the Road to NetZero	This phase is important for our sustainability journey as we will expand our focus and establish important goals and timelines. We will expand our reduction targets and craft a corresponding plan. We will expand our emission calculation to include more of Scope 3 emissions. Initiate projects for positive local environmental impact. Within this time period we expect to have gained enough understanding of our GHG emissions to create a timeline and to achieve NetZero no later than 2045.
Phase Four: (2045 onwards) Net Zero	In this phase and beyond, we will continue to enhance and expand the scope of our sustainability efforts.

Further back in this report is Primex's Sustainability Report for 2025.

Society

Our social responsibilty expands to include our employees, who are the driving force behind our company and success, people in the communities we live and work in, and our customers who benefit from our products.

Through its Corporate Social Responsibility Policy, Primex aims to integrate environmental and social considerations, along with responsible governance practices, into its general operations. The Company strives to be a trusted corporate citizen that acts responsibly toward local communities and ensures transparency in all communications.

Primex Employee Policy

The Primex Board has approved the following Sustainability Policy.

EMPLOYEE POLICY OF PRIMEX EHF.

Primex ehf. operates under the guiding principle of basing its operations on excellent production technology in fishing and processing.

In this way, the Company achieves its objective of producing high-quality products efficiently. The Company places strong emphasis on responsible fishing and good stewardship of marine resources.

The Company's employees are one of its most important resources, and through systematic human resource management, we achieve our goals both at sea and on land.

- We always keep the Company's objectives in mind within our work.
- We act in accordance with the Company's strategy and welfare in our daily tasks.
- We seek solutions through initiative and innovation.
- We perform our work with professionalism.
- We treat each other with kindness and respect.
- We provide constructive feedback and share information effectively.
- We promote a good working atmosphere and equality.
- We emphasize maintaining a good work environment and competitive compensation.
- We ensure that employees receive appropriate training and education.
- We emphasize the balance between work and private life.

Our Employees

The objective of Primex is that its human resources consist of satisfied and competent employees who possess the skills and knowledge required to perform their duties effectively and within disciplined work practices. Employees of Primex participate in developing and improving the Company's operations and working in a spirit of equality and fairness.

Primex ehf. systematically addresses issues related to health, safety, and environmental protection. The Company strives for continuous improvement in these areas and places a strong emphasis on meeting all its legal obligations relating to them.

By the end of 2025, Primex employed 25 full-time employees. 60% were female and 40% were male.

Our Local Community

Primex is headquarted in Siglufjordur in North Iceland, a small community a few kilometers south of the Arctic Circle. As the leading manufacturer of high-quality chitosan in the world, skin-care products, and class III medial devices, Primex brings jobs to the community that call for a skilled workforce.

The Company considers its duty to minimize its negative footprint on society as much as possible. At the same time, the Company seeks to maximize its positive impact on it's local community, thereby creating shared value for the Company, society, and the environment.

Partners and Suppliers

Primex ehf. operates with fairness in its dealings with business partners and suppliers and emphasizes that all parties benefit from cooperation. The Company expects its partners and suppliers to share its core values, and this influences the Company's choice of business relationships.

Human Rights and Anti-Slavery

Primex respects human rights and does not tolerate child labour or forced labour, and complies with all applicable laws and regulations relating to these matters in all of its operations. The company has approved a **Humans Rights policy** and an **Anti-Slavery statement** to reinforce this important matter. The Human Rights Policy applies to all of the Company's operations and is supported by other company policies.

Governance

The Primex board Board of Directors and the Executive Management Team oversee and manage our business in a manner that reflects the highest standard of ethical conduct while also creating value for our shareholders and society at large.

The Primex corporate governance program follows Icelandic laws. As a wholly owned subsidiary of Ísfélag, the oldes registered corporation in Iceland an publicly traded on Nasdaq Nordic market, the Primex board is currently made up of key corporate executives of Ísfélag. The board monitors Primex‘s implementation of financial plans and key strategy.

Company Policies

Primex is committed to always complying with applicable laws and regulations governing its operations, as well as with recognized business ethics standards, corporate governance guidelines, and its own internal rules. To reinforce this, the Primex board of directors has approved several key policies.

The Board of Primex ehf. considers it essential that the company’s operations and business be conducted with integrity and that the reputation of stakeholders and the Company be safeguarded. The Board has approved a **Code of Conduct policy** to guide ethical and social responsibility, both within the Board and the Company and in external dealings.

The Code provides guidance and helps us assess the diverse issues we encounter in our daily work while supporting sound decision-making. These rules are our compass and are intended to support the Primex employees and any party acting on behalf of the Company where conflicts of interest or ethical questions arise.

Primex ehf. (“the Company”) rejects all forms of corruption and bribery and has approved an **Anti-Bribery and Corruption policy** to that effect. The Company and its employees comply with applicable laws, regulations, and recognized standards of business ethics and corporate governance at all times, to avoid conflicts of interest, and to maintain confidentiality.

Primex ehf. respects human rights, does not tolerate child labour or forced labour, and complies with all applicable laws and regulations relating to these matters in all of its operations and has approved a **Human Rights Policy**.

Our policies are available on the Primex website: https://www.primex.is/about-us/policies/
This ESG report is available on the Primex website: https://www.primex.is/about-us/esg/

Primex Board of Directors

Örvar Guðni Arnarson (chairman)

Ólafur Helgi Marteinsson

Unnar Már Pétursson

Primex Executive Management Team

Vigfús Fannar Rúnarsson, Chief Executive Officer

Guðrún Sif Guðbrandsdóttir, Chief Financial Officer

Sigríður Vigfúsdóttir, Vice President / Managing Director ChitoCare Beauty Products

Kristinn Tryggvi Þorleifsson, Vice President / Managing Director ChitoCare Medial Products

Rúnar Marteinsson, Manufacturing Director

Primex ehf
Sustainability Statement

2025

Primex ehf
Reg. 6811972819

Content

Statement by the board of directors and CEO

The company was founded in 1999 and the purpose of the company is turning shrimp shell into chitosan, a valuable material sold to companies around the world. Primex's sustainability statement for the year 2025 reflects the ESG guidelines issued by Nasdaq Iceland and Nasdaq Nordic in 2019. These guidelines are based on recommendations made in 2015 by the United Nations, the Sustainable Stock Exchange Initiative, and the World Federation of Exchange. Reference is also made to the GRI Standard (Global Reporting Initiative, GRI100-400) and the Ten Reporting Principles of the UN Global Compact.

Primex uses the Klappir Sustainability Platform to ensure the traceability, transparency, and efficiency in data collection and processing and dissemination of environmental information.

The CEO hereby confirms the company‘s sustainability statement for the period from January 1, 2025, to December 31, 2025.

Siglufjörður, Iceland, June 12, 2026

CEO Vigfús Fannar Rúnarsson

The Sustainability Statement {company} is electronically signed by the CEO.

Statement

Operational Parameters

Operational Parameters	Notes	Unit	2025
Number of employees (from financial statement)		FTEs	25.0

VSME 24 (e) iii, iv, v

GhG emission intensity	Notes	Unit	2025
GHG emissions per full-time equivalent (FTEe) employee		$kgCO_2e$/FTEs	41,015.3

Nasdaq: E2|UNGC: P7, P8|GRI: 305-4 |SDG: 13|SASB: General Issue / GHG Emissions, Energy Management

Energy Intensity	Notes	Unit	2025
Energy per full-time equivalent (FTEe) employee		kWh/FTEs	166,729

E4|UNGC: P7, P8|GRI 302-3|SDG: 12|SASB: General Issue / Energy Management

Waste intensity	Notes	Unit	2025
Total waste per full-time equivalent (FTEe) employee		kg/FTEs	49,049.1

Environmental

Greenhouse Gas Emissions	Notes	Unit	2025
Scope 1		tCO_2e	25.2
Scope 2 (location-based)		tCO_2e	31.3
Scope 2 (market-based)		tCO_2e	
Total Scope 1 and 2 (location based)		tCO_2e	56.5
Total Scope 1 and 2 (market-based)		tCO_2e	
Scope 3		tCO_2e	968.9
Total Scope 1, 2 & 3 emissions (location-based)		tCO_2e	1,025.4
Total Scope 1, 2 & 3 emissions (market-based)		tCO_2e	

ESRS E1-6, paragraph 44, 48 (a, b), 49 (a, b), 52 (a, b), 51, AR 39, AR 43 - AR 45, AR 47 | VSME 30 (a,b)

Scope 1 - Details	Notes	Unit	2025
Total Scope 1 emissions		tCO_2e	25.2
Stationary fuel combustion		tCO_2e	0.0
Mobile fuel combustion		tCO_2e	25.2
Fugitive emissions		tCO_2e	0.0

ESRS E1-6, AR 52 | VSME 30 (a)

Scope 2 - Details	Notes	Unit	2025
Total Scope 2 emissions		tCO_2e	31.3
Electricity		tCO_2e	31.2
Heating		tCO_2e	0.1

ESRS E1-6, AR 52 | VSME 30 (b)

Scope 3 - Upstream emissions	Notes	Unit	2025
Category 4: Upstream transportation and distribution			
Total emissions		tCO_2e	893.5
Air transportation		tCO_2e	0.0
Marine transportation		tCO_2e	54.4
Road transportation		tCO_2e	839.0
Rail transportation		tCO_2e	0.0
Storage of purchased goods		tCO_2e	0.0
Category 5: Waste generated in operations			
Total emissions	1	tCO_2e	58.5
Transport, disposal and treatment of waste		tCO_2e	58.5
Wastewater treatment		tCO_2e	0.0
Category 6: Business travel			
Total emissions		tCO_2e	8.5
Air travel	2	tCO_2e	8.1
Rail travel		tCO_2e	0.0
Road travel		tCO_2e	0.00
Marine travel		tCO_2e	0.0
Hotel nights		tCO_2e	0.4
Category 7: Employee commute			
Total commuting emissions		tCO_2e	8.3
Air commute		tCO_2e	0.0
Rail commute		tCO_2e	0.0
Bus commute		tCO_2e	0.2
Car commute		tCO_2e	8.1
Marine commute		tCO_2e	0.0
On foot / Bicycle		tCO_2e	0
Remote working		tCO_2e	0.0

ESRS E1-6, AR 52

Energy consumption	Notes	Unit	2025
Total energy consumption		kWh	4,168,227
Fossil fuels		kWh	96,221.7
Bio fuels		kWh	0.0
Electrofuel		kWh	0.0
Electricity		kWh	4,066,712
Heating		kWh	5,293.4
Cooling		kWh	
Steam		kWh	
Direct energy consumption		kWh	96,221.7
Indirect energy consumption		kWh	4,072,006

Nasdaq: E3|UNGC: P7, P8|GRI: 302-1, 302-2|SDG: 12|SASB: General Issue / Energy Management

Fuel consumption	Notes	Unit	2025
Total fuel consumption		kg	8,092.2
Aviation fuel		kg	0.0
Biodiesel		kg	0.0
Natural gas		kg	0.0
Kerosene		kg	0.0
Marine fuel		kg	0.0
Compressed natural gas		kg	0.0
Diesel fuel off road		kg	2,231.3
Marine gas oil		kg	0.0
Methane		kg	0.0
Propane		kg	0.0
Butane		kg	0.0
Liquified petroleum gas		kg	0.0
Gasoline or Petrol		kg	51.2
Hydrogen fuel		kg	0.0
Diesel fuel		kg	5,809.7
Wood pellets		kg	0

Water consumption	Notes	Unit	2025
Total water withdrawal		m^3	203,397
Cold water		m^3	203,306
Hot water		m^3	91.3
Reused water (if applicable)		m^3	
Reclaimed water (if applicable)		m^3	

Nasdaq: E6|GRI: 303-5|SDG: 6|SASB: General Issue / Water & Wastewater Management

Electricity mix	Notes	Unit	2025
Total electricity consumption		kWh	4,066,712
Fossil fuels		%	0.0%
Renewables		%	100.0%
Nuclear		%	0.0%

Upstream transportation and distribution	Notes	Unit	2025
Total transportation and distribution		tonne	1,846.8
Air transportation		tonne	0.0
Marine transportation		tonne	727.9
Road transportation		tonne	1,118.9
Rail transportation		tonne	0.0

Waste treatment	Notes	Unit	2025
Total waste generation		kg	1,226,228
Sorted waste		kg	1,132,968
Unsorted waste		kg	93,260
Recovered waste		kg	1,132,968
Disposed waste		kg	93,260
Percentage of waste sorted		%	92.4%
Percentage of waste recovered		%	92.4%

Business travel	Notes	Unit	2025
Total distance travelled		km	84,643.0
Air travel		km	84,643.0
Rail travel		km	0.0
Road travel		km	0
Marine travel		km	0

Hotel nights	Notes	Unit	2025
Total overnight stays		no.	32

Employee commuting	Notes	Unit	2025
Total commuting distance		km	62,332
Air commute		km	0
Rail commute		km	0
Bus commute		km	1,566
Car commute		km	57,766
Marine commute		km	0
On foot / Bicycle commute		km	3,000.5

Environmental management	Notes	Unit	2025
Does your company follow a formal Climate Management Plan?		yes/no	Yes
Does your company follow specific waste, water, energy, and/or recycling policies?		yes/no	No
Does your company use a recognized energy management system?		yes/no	No

Nasdaq: E7|GRI: 103-2|SASB: General Issue / Waste & Hazardous Materials Management

Climate oversight	Notes	Unit	2025
Does your Senior Management manage climate-related risks?		yes/no	No
Does your Board of Directors oversee climate-related risk?		yes/no	No

Nasdaq: E8, E9|GRI: 102-19, 102-20, 102-29, 102-30, 102-31|SASB: General Issue / Business Model Resilience, Systematic Risk Management|TCFD: Governance (Disclosure A/B)

Climate risk mitigation	Notes	Unit	2025
Total annual investment in climate-related infrastructure, resilience, and product development		ISK m	0.0

Nasdaq: E10|UNGC: P9|SASB: General Issue / Physical Impacts of Climate Change, Business Model Resilience|TCFD: Strategy (Disclosure A)

Social

Employee Turnover	Notes	Unit	2025
Full-time Employees			
Year-over-year change for full-time employees		%	0.1%
Dismissal		%	
Retirement		%	0.1%
Job transition		%	
Death		%	0.1%
Gender			
Men		%	40.0%
Women		%	60.0%
Age			
<20		%	
20-29		%	8.0%
30-39		%	24.0%
40-49		%	40.0%
50-59		%	16.0%
60-69		%	12.0%
70+		%	

S3|UNGC: P6|GRI: 401-1b|SDG: 12|SASB: General Issue / Labor Practices

Gender Diversity	Notes	Unit	2025
Enterprise Headcount			
Percentage of women in enterprise		%	60.0%
Women		no.	15
Men		no.	10
Senior- and Executive-level Positions			
Percentage of women in senior- and executive-level positions		%	40.0%
Women		no.	2
Men		no.	3

S4|UNGC: P6|GRI: 102-8, 405-1|SASB: General Issue / Employee Engagement, Diversity & Inclusion

Non-Discrimination	Notes	Unit	2025
Does your company follow a sexual harrassment and/or non-discriminatory policy?	3	yes/no	Yes

S6|UNGC: P6|GRI: 103-2 (see also: GRI 406: Non-Discrimination 2016)|SASB: General Issue / Employee Engagement, Diversity & Inclusion

Global Health & Safety	Notes	Unit	2025
Does your Company publish and follow an occupational health and/or global health & safety policy		yes/no	No

S8|GRI: 103-2 (See also: GRI 403: Occupational Health & Safety 2018)|SDG: 3|SASB: General Issue / Employee Health & Safety

Child & Forced Labor	Notes	Unit	2025
Does your company follow a child labor policy?	4	yes/no	Yes
Does your company follow a forced labor policy?	5	yes/no	Yes
If yes, do your child and/or forced labor policy cover suppliers and vendors?		yes/no	Yes

S9|GRI: 103-2 (See also: GRI 408: Child Labor 2016, GRI 409: Forced or Compulsory Labor, and GRI 414: Supplier Social Assessment 2016)|UNGC: P4, P5|SDG: 8|SASB: General Issue / Labor Practices

Human Rights	Notes	Unit	2025
Does your company publish and follow a human rights policy?	6	yes/no	Yes
If yes, does your human rights policy cover suppliers and vendors?		yes/no	Yes

S10|GRI: 103-2 (See also: GRI 412: Human Rights Assessment 2016 & GRI 414: Supplier Social Assessment 2016)|UNGC: P1, P2|SDG: 4, 10, 16| SASB: General Issue / Human Rights & Community Relations

Governance

Supplier Code of Conduct	Notes	Unit	2025
Are your vendors or suppliers required to follow a Code of Conduct	7	yes/no	No
If yes, what percentage of your suppliers have formally certified their compliance with the code		%	

G5|UNGC: P2, P3, P4, P8|GRI: 102-16, 103-2 (See also: GRI 308: Supplier Environmental Assessment 2016 & GRI 414: Supplier Social Assessment 2016|SDG: 12|SASB General Issue / Supply Chain Management (See also: SASB Industry Standards)

Ethics & Anti-Corruption	Notes	Unit	2025
Does your company follow an Ethics and/or Anti-Corruption policy?	8	yes/no	Yes
If yes, what percentage of your workforce has formally certified its compliance with the policy?		%	

G6|UNGC: P10|SDG: 16|GRI: 102-16, 103-2 (See also: GRI 205: Anti-Corruption 2016)

Data Privacy	Notes	Unit	2025
Does your company follow a Data Privacy policy?	9	yes/no	Yes
Has your company taken steps to comply with GDPR rules?		yes/no	Yes

G7|GRI: 418 Customer Privacy 2016|SASB: General Issue / Customer Privacy, Data Security (See also: SASB Industry Standards)

ESG Reporting	Notes	Unit	2025
Does your organization publish a sustainability report?		yes/no	Yes
If Yes: does the Sustainability Report disclose environmental, social and governance matters?		yes/no	Yes
Is sustainability data included in your regulatory filings?		yes/no	No

G8|UNGC: P8

Disclosure Practices	Notes	Unit	2025
Does your company provide sustainability data to sustainability reporting frameworks?		yes/no	No
Does your company focus on specific UN Sustainable Development Goals (SDGs)?		yes/no	No
Does your company set targets and report progress on the UN SDGs?	10	yes/no	No

G9|UNGC: P8

External Assurance	Notes	Unit	2025
Are your sustainability disclosures assured or validated by a third party?		yes/no	No

G10|UNGC: P8|GRI: 102-56

Organizational and Operational Boundaries

Organizational boundaries The “Operational Control” methodology has been chosen in order to define the organizational scope of Primex’s emission accounting. According to the "Operational Control" methodology, companies should account for 100 percent of greenhouse gas emissions from operations under their control. They should not account for greenhouse gas emissions from operations that it has no control over, even though it has a vested interest in their operations. The following companies are covered in the statement:

- Primex ehf.

Operational boundaries
Scope 1
Mobile fuel consumption Fully included
Stationary fuel combustion Not applicable
Fugitive emissions Not applicable
Industrial processes Not applicable

Scope 2
Electricity Fully included
Heating Fully included
Cooling Not applicable
Steam Not applicable

Scope 3
Category 1: Purchased goods and services Not included
Category 2: Capital goods Not included
Category 3: Fuel and energy related activities Not included
Category 4: Upstream transportation and distribution Partially included
Category 5: Waste from operations Fully included
Category 6: Business travel Fully included
Category 7: Employee commute Fully included
Category 8: Upstream leased assets Not included
Category 9: Downstream transportation and distribution Not applicable
Category 10: Processing of sold products Not included
Category 11: Use of sold products Not included
Category 12: End-of-life treatment of sold products Not included
Category 13: Downstream leased assets Not applicable
Category 14: Franchises Not applicable
Category 15: Investments Not applicable

Definitions

Carbon credits
A carbon credit is a convertible and transferable instrument representing GHG emissions that have been reduced, avoided or removed through projects that are verified according to recognised quality standards. Carbon credits can be issued from projects within (sometimes referred to as insets) or outside the undertaking's value chain (sometimes referred to as offsets).

Non-verified offsetting projects
Non-verified offsetting projects are defined as offsetting projects that do not generate carbon credits in accordance with the definition above.

Emission intensity
Emission intensity figures are based on combined Scope 1, Scope 2 and Scope 3. Emission intensity is calculated by dividing GHG emissions by a selected operational parameter unit, and is reported as tCO_2e per unit (such as tCO_2e per revenue unit). Emission intensity indicators are used to measure and compare the company's emissions relative to its operational scale.

Direct and indirect energy consumption
Total energy consumption includes all energy consumed by the company including combustion of fuels by the company (direct energy) and energy consumed through electricity and heating (indirect energy). The energy consumption is reported in kilowatt hours (kWh).

Energy intensity
Energy intensity is calculated by dividing the total energy consumption by a selected operational parameter unit, and is reported as kWh per unit (such as kWh per full-time equivalent employee (FTEe)). Energy intensity indicators are used to measure the efficiency of energy usage and compare the company's energy consumption relative to its operational scale.

Waste intensity
Waste intensity is calculated by dividing the total amount of waste generated by a selected operational parameter unit, and is reported as kg per unit (such as kg per full-time equivalent employee (FTEe)).

Scope 2 (location-based)
Emissions in scope 2 (location-based) are indirect emissions from generation of consumed energy, where emissions from energy consumption is estimated based on the average emissions from generation onto the energy network.

Scope 2 (market-based)
Market-based scope 2 emissions reflect the emissions from the electricity that a company is purchasing (often spelled out in contracts or instruments) which may be different from the electricity that is generated locally.

Fugitive emissions
Emissions resulting from intentional or unintentional releases, e.g., equipment leaks from joints, seals, packing, and gaskets; methane emissions from coal mines and venting; hydrofluorocarbon (HFC) emissions during the use of refrigeration and air conditioning equipment; and methane leakages from gas transport.

Purchased goods and services
Extraction, production, and transportation of goods and services purchased or acquired by the reporting company in the reporting year, not otherwise included in Categories 2 - 8

Capital goods

Extraction, production, and transportation of capital goods purchased or acquired by the reporting company in the reporting year.

Fuel- and energy related activities
Includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in scope 1 or scope 2.

Upstream transportation and distribution
Transportation and distribution of products purchased in the reporting year, between a company. Third party transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics and third-party transportation and distribution between a company's own facilities.

Waste generated in operations
Emissions from third-party disposal and treatment of waste in the reporting year.

Business travel
Emissions from the transportation of employees for business related activities in the reporting year.

Employee commuting
Emissions from the transportation of employees between their homes and their worksites.

Upstream leased assets
Operation of assets leased by the reporting company (lessee) in the reporting year and not included in scope 1 and scope 2 – reported by lessee.

Downstream transportation and distribution
Transportation and distribution of products sold by the reporting company in the reporting year between the reporting company's operations and the end consumer (if not paid for by the reporting company), including retail and storage (in vehicles and facilities not owned or controlled by the reporting company).

Processing of sold products
Processing of intermediate products sold in the reporting year by downstream companies (e.g., manufacturers)

Use of sold products
End use of goods and services sold by the reporting company in the reporting year.

End-of-life treatment of sold products
Waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life.

Downstream leased assets
Operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in scope 1 and scope 2 – reported by lessor.

Franchises
Operation of franchises in the reporting year, not included in scope 1 and scope 2 – reported by franchisor.

Investments
Operation of investments (including equity and debt investments and project finance) in the reporting year, not included in scope 1 or scope 2.

Energy management system
Energy management systems such as ISO 50001.

Notes

[1] Íslenska gámafélagið, our waste management provider, also delivers shrimp shell to Primex. The amount of shrimp shell delivered to use for manufacturing is included in this emission number. 9.987 tCO_2e of this number is not waste generated, but raw material delivered. Actual total emissions from waste generated in operations is 48.563 tCO_2e.

[2] Data from other airlines than Icelandair are not complete in this year's statement. This will be added and corrected once data is available.

[3] This is included in the Code of Conduct: https://www.primex.is/about-us/policies/code-of-conduct

[4] Included in human rights policy: https://www.primex.is/about-us/policies/human-rights-policy

[5] Included in human rights policy: https://www.primex.is/about-us/policies/human-rights-policy

[6] https://www.primex.is/about-us/policies/human-rights-policy

[7] Work to implement this is ongoing.

[8] https://www.primex.is/about-us/policies/anti-bribery-and-corruption-policy

[9] https://www.primex.is/about-us/policies/data-protection-policy

[10] Targets related to UN SDG's to be set in 2026.