APPENDIX: NON-FINANCIAL DISCLOSURE

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SUSTAINABILITY POLICY

Brimborg's vision for the future is to meet current needs with sustainability as the guiding principle and to actively participate in the transparent development of Icelandic society for the future, collaborating with the interests of all stakeholders to ensure the company's existence and prosperity.

In line with Brimborg's vision for the future, the company's mission is to offer, for purchase or lease, customized sustainable total solutions in vehicles and industrial equipment, including relevant components, as well as providing consultancy and services to individuals, businesses, and institutions.

Brimborg's sustainability policy is based on its core values aimed at creating a culture of respect, loyalty, and care, where employees are performance- and solution-driven, initiative is highly valued, employees demonstrate passion in their work, and sustainability is considered in every decision regarding environmental, social, and governance (ESG) aspects.

These core values are fundamental and designed to build trust, and therefore we strive to be:

- **Performance-driven:** We want our customers to achieve their goals and obtain outstanding results, just as we do, through strong collaboration within and between teams.
- **Solution-oriented:** We listen to customers and colleagues and use our talents to find the best solutions quickly and effectively.
- **Pioneers:** We are curious, not afraid of change, courageous, open-minded, learn from mistakes, and celebrate success.
- **Passionate:** We are proud of our work, perform it with joy, respect, and loyalty, guided by transparency and trust.
- **Sustainable:** We consider the future in our decision-making, emphasizing cleanliness and good environmental practices, ensuring our decisions have positive social impacts, and respecting laws, regulations, and good business practices with strong governance.

Principles:

The board, management, and employees of Brimborg must always adhere to certain principles which are:

- Act in accordance with the company's core values.
- Believe that good human interactions create social mobility for people and contribute to their safety and life satisfaction.
- Recognize and appreciate well-executed tasks to help others learn to value quality and usability.
- Obey laws as well as social and professional standards for reliability, accessibility, and usability.
- Strive to define and understand the wishes and needs of each stakeholder to assist them in achieving their mobility goals efficiently.
- Aim to be financially independent and achieve satisfactory profitability for the benefit of stakeholders.
- Employ professionals of both genders whose values align with the company's core values and principles. These individuals should highly value words and actions such as sustainability, passion, responsibility, consideration, tolerance, success, initiative, knowledge-seeking, and cooperation.
- Provide regular and appropriate employee training and excellent working conditions.
- Work with and develop the company's quality management system solely to enhance the quality or usability of Brimborg's services, aiming for stability in interactions with stakeholders.

Key goals of Brimborg:

- To make Brimborg the most sought-after company in the Icelandic car and industrial equipment market, both new and used.
- To achieve outstanding resale performance of Brimborg's brands.
- To make Brimborg the most desirable and safest workplace in the automotive industry, and among the most progressive in occupational safety and equality in Iceland.
- To position Brimborg among the financially top-performing companies in Iceland.
- To be among the most progressive companies in Iceland in consumer protection matters.
- To be among the most progressive companies in Iceland in sustainability matters.
- To be the leading car dealership in Iceland in terms of customer loyalty and satisfaction.

Brimborg's organizational structure is based on six business units and three support units. The business units—"Ford, Volvo, Polestar", "Mazda, Citroën, Peugeot, Opel", " Saga Car Rental", "Brimborg Akureyri", "MAX1 Machinery", and "Veltir – Industrial Equipment"—are revenue units operating in line with Brimborg's mission, with specialized focuses on different suppliers, products, and services. Detailed information about the company and its product and service offerings can be found on the website www.brimborg.is and other company websites accessible from there.

The support units manage central functions, including finance, information technology, human resources, property management, warehousing, and other shared activities. A director, who reports directly to the CEO, leads each unit. The marketing department, environmental committee and cybersecurity council also report to the CEO, while the equality committee and two safety committees report to the CHRO. The procurement committee reports to the CFO.

The company's website includes a visual overview of the organizational structure.

The company manages risk through detailed planning across departments and divisions, with executives responsible for the creation, presentation, execution, and progress of these plans.

The company's objectives must always reflect its values and the organizational promise of being a safe place to be, whether as a workplace or a place for shopping and services.

The company's slogan is**: Brimborg - a safe place to be**.

The sustainability policy is the guiding principle for Brimborg's employees and includes various sub-policies such as the environmental policy, human resources policy which includes the equality policy, equal pay policy, policy against child labour and forced labour, policy and response plan against bullying, harassment and violence (not published on the website), and the whistleblower protection policy. The sustainability policy also encompasses the procurement policy, privacy policy, anti-bribery policy, competition policy, information security policy (not published on the website), corporate governance statement, and board of directors' rules of procedure, in addition to the sustainability policy itself, which includes guidelines for good business practices equivalent to a code of ethics. Relevant policies can be found on the company's website.

United Nations Sustainable Development Goals

Brimborg has decided to align its sustainability policy with the following 13 out of the 17 Sustainable Development Goals (SDGs):

- **No Poverty (1)** - Contribute to eliminating wage gaps through good and well-paid jobs with a clear wage policy and strengthen the position of disadvantaged individuals, with a special focus on children.
- **Good Health and Well-being (3)** - Support employees in leading healthier lifestyles through preventive measures and assist disadvantaged groups, thus improving health and well-being.
- **Quality Education (4)** - Ensure good access to training and education for employees, participate in projects that increase the number of students in vocational and technical education, promote literacy, and work towards the future of the Icelandic language.
- **Gender Equality (5)** - Work towards gender equality in automotive industry jobs, actively combat sexual and gender-based violence, and increase the percentage of fathers taking parental leave.
- **Affordable and Clean Energy (7)** - Increase the proportion of renewable energy sources through energy transitions on land, emphasize energy conservation, efficiency, and local sustainable energy production to reduce the strain on the national energy grid.
- **Decent Work and Economic Growth (8)** - Offer good, well-paid jobs that accommodate people with reduced work capacity, emphasize equal opportunities and equal pay for equal work, and ensure that productivity increases are achieved in harmony with the environment and society.
- **Industry, Innovation, and Infrastructure (9)** - Foster and maintain a culture of innovation within the company, support scientific research in automotive, energy, and tourism sectors, and contribute to enhancing infrastructure in transportation and tourism with a focus on clean energy.
- **Reduced Inequalities (10)** - Promote equality regardless of origin, nationality, religion, beliefs, disability, reduced work capacity, age, sexual orientation, or gender identity, and create opportunities and conditions for immigrants to become active participants in Icelandic society.
- **Sustainable Cities and Communities (11**) - Contribute to sustainable urban development, including transportation, buildings, and other infrastructure.
- **Responsible Consumption and Production (12)** - Implement circular economy principles in Brimborg's operations and assist customers in adopting circular economy practices to ensure resource use does not exceed the natural limits and ensure that Brimborg's operations in the automotive and tourism sectors are in harmony with nature and society.
- **Climate Action (13)** - Work systematically with measurements and goal setting using data-driven management to reduce Brimborg's environmental impact and implement appropriate actions accordingly.
- **Peace, Justice and Strong Institutions (16)** - Always respect laws and regulations, combat organized crime, ensure a violence-free workplace, build trust in media, politics, administration, and the judiciary, and support groups facing violence.
- **Partnerships for the Goals (17)** - Ensure that Brimborg and its managers set a good example and work towards sustainability goals regarding environmental, social, and governance aspects both internally and externally.

SUSTAINABILITY REGULATORY FRAMEWORK

Sustainability disclosure requirements have increased significantly in recent years, driven both by regulatory developments and by growing stakeholder expectations regarding transparency, comparability and clearer information on companies' impacts on the environment and society.

Brimborg discloses non-financial information under Article 66(d) of the Icelandic Annual Accounts Act No. 3/2006, as amended by Act No. 73/2016. These disclosures cover, among other matters, environmental issues, social matters, human rights, employees, and measures to prevent corruption and bribery.

In addition to these statutory requirements, Brimborg publishes a sustainability statement in accordance with Nasdaq's ESG Reporting Guide. The purpose of the statement is to provide clear and accessible information on the company's environmental, social and governance performance and to support comparability over time. Brimborg must also disclose information under the EU Taxonomy Regulation as part of its mandatory reporting obligations in Iceland. A separate section of this appendix presents the EU Taxonomy disclosures.

During 2025, considerable uncertainty remained regarding the development of the European sustainability regulatory framework, the scope of individual requirements and the final design of applicable standards. Brimborg closely monitors these developments and places emphasis on ensuring that its disclosures are professional, dependable, and compliant with applicable requirements, without introducing unnecessary complexity beyond what is considered proportionate to the company's operations and statutory obligations.

Brimborg's sustainability disclosures support regulatory compliance while promoting transparency and stakeholder communication. They also inform decision-making, and during the year the company began phasing in a more structured approach to presenting non-financial information.

In this initial phase, Brimborg highlights a limited number of clear actions that reflect the main improvement initiatives completed during the year and support defined sustainability objectives. This approach builds on experience and lessons from recent sustainability reporting. Brimborg aims to develop a useful and credible overview that supports both external disclosure and internal management of continued improvement, risk, and sustainability performance.

SUSTAINABILITY STATEMENT

Brimborg publishes an annual sustainability statement containing key information on the company's ESG performance during the reporting year. The statement is prepared in accordance with Nasdaq's ESG Reporting Guide and is based on key performance indicators reflecting the environmental and social aspects of the company's operations, as well as its governance practices. These areas are presented in separate sections of the statement. In recent years, Brimborg has established this disclosure as an integral part of its annual reporting.

Brimborg's sustainability statement is based on data from the company's environmental management software, Klappir EnviroMaster, together with information from the company's other information systems. Through this approach, Brimborg seeks to ensure consistency in data collection, traceability of information and reliability of reported results. The statement is prepared using the methodologies and working procedures of Klappir Green Solutions.

Klappir sustainability specialists and recognised partners have reviewed the environmental data in the statement. Klappir has not reviewed the social or governance data, and no independent third party has assured Brimborg's sustainability disclosures. Brimborg continues to improve its processes, data traceability, and data quality to strengthen future disclosures.

In 2025, Brimborg strengthened the basis of the sustainability statement by mapping data sources in more detail, preparing a data source register, defining data flows more clearly, cleansing data, and assigning responsibilities. This work supports more reliable reporting and improves oversight of operational processes, data, and deviations.

Brimborg emphasises that the sustainability statement should serve not only as a means of meeting disclosure obligations, but also as a management tool. It supports the prioritisation of initiatives, monitoring of key performance indicators and operational decision-making, including in relation to climate-related risks. Both the Executive Management Team and the Board of Directors exercise oversight of climate-related risks.

Key Actions in 2025

- Mapping of data sources for key sustainability statement indicators and consolidating them in a structured data source register.
- Review, clarification and documentation of data flows between information systems and the reporting process.
- Cleaning and review of selected datasets to reduce errors and improve consistency between reporting periods.
- Replacement of utility meters with automated meters to enable automatic transfer of consumption data.
- Clarification of responsibilities for collecting, reviewing, and validating key statement information.
- Proposals were prepared to automate processes across all stages of reporting, with work continuing in 2026.

ENVIRONMENTAL SUSTAINABILITY

ENVIRONMENTAL MANAGEMENT AND RESPONSIBILITY

Brimborg operates in accordance with its environmental policy, *Visthæf skref*, and emphasises that environmental matters form an integral part of the company's responsible business practices. The company's environmental priorities relate both to its own operations and to the solutions it offers customers in connection with the energy transition, mobility, and services.

Brimborg's environmental impacts are primarily associated with the operation of buildings, its vehicle fleet, procurement, transportation, waste management, energy and water consumption, the sale and marketing of electric mobility solutions, and the development of charging infrastructure. The company uses information from its sustainability statement to monitor developments in key environmental areas, support the prioritisation of initiatives and identify opportunities for operational improvements.

In 2025, the sustainability statement showed positive results across key categories. Total emissions, energy consumption, and water consumption decreased year on year, while waste sorting and recovery rates improved.

The table below summarises the main results.

Key performance indicator	2024	2025	Change
Total emissions	1,145.1 tCO_2e	815.2 tCO_2e	-28.8%
Total energy consumption	10,696,880 kWh	9,463,402 kWh	-11.5%
Hot water consumption	129,654 m^3	114,237 m^3	-11.9%
Total water consumption	159,891 m^3	144,768 m^3	-9.5%
Waste sorting rate	89.4%	91.6%	+2.2 percentage points
Waste recovery rate	90.5%	96.6%	+6.1 percentage points

In 2026, emphasis will be on integrating environmental information more closely into operational management, cost analysis, and target setting. The objective is to use this information as a basis for improved decision-making and for prioritising initiatives that can deliver both operational and environmental benefits.

CARBON OFFSETTING AND DIRECT EMISSIONS REDUCTIONS

Brimborg prioritises direct emissions reductions in its own operations and related value-chain activities, rather than relying on carbon credits in its disclosures. The sustainability statement confirms Brimborg used no offsetting measures in the 2025 reporting year, while total emissions decreased by 28.8% year on year.

Brimborg continues its annual tree-planting tradition at Esjumelar with employee participation. The company does not use this activity to offset reported emissions in its sustainability statement; instead, it reflects employee involvement in environmental initiatives.

WASTE MANAGEMENT AND CIRCULARITY

Brimborg prioritises clear waste-management procedures and waste treatment that improves resource efficiency, reduces waste, and lowers costs. This focus is especially important given the scale of the company's operations and its multiple locations, which require consistent sorting practices, effective oversight of containers and collections, and traceable data on waste volumes, treatment methods, and costs.

In 2025, Brimborg reviewed its waste-data registration and expanded the use of systems such as PureNorth to improve oversight of volumes, costs, containers, and collections. Composting of organic waste continued, with units installed at all locations except Akureyri by year-end. These measures contributed to improved waste sorting and recovery rates.

Waste treatment practices among service providers also changed during the year. Landfilling decreased significantly, while incineration with energy recovery became the main treatment method. This shift affected waste-related emissions and underlines the need to regularly review service arrangements, costs, and treatment methods.

In 2026, emphasis will be on using improved waste-data oversight to reduce costs and waste generation. This will include improved source-data registration, data reconciliation, assessment of a waste compactor, evaluation of the value of certain waste streams, agreements with service providers, and measures to reduce waste volumes in areas offering the greatest potential for improvement. Work on the composting system will also continue, including an assessment of implementation in Akureyri and the possible automation of organic-waste data registration.

Key Actions in 2025

- Waste-data registration improved, and PureNorth use expanded.
- The number of composting units increased; Akureyri remains outstanding.
- Assessment of service providers' waste-treatment methods and their emissions impact.

TRANSPORTATION AND SUPPLY CHAIN

Transportation represents a significant impact category in Brimborg's environmental footprint and accounts for a substantial share of Scope 3 emissions. This applies particularly to purchased transportation and distribution, where changes in transport modes, volumes and composition can have a material effect on the company's total emissions.

In 2025, emissions from purchased transportation and distribution decreased by 25.9%, from 479.4 tCO_2e to 355.3 tCO_2e. Brimborg achieved part of this reduction by increasing the share of sea freight where operationally feasible. During the year, Brimborg worked with one of its largest suppliers

to move almost all shipments previously transported by air to sea freight. This shift can reduce transportation-related environmental impacts and costs, although it may require more advance planning for inventory management.

Key Actions in 2025

- Transportation data analysed in greater detail.
- Increased share of sea freight where operationally feasible.
- A significant transition from air freight to sea freight in cooperation with a major supplier.

ENERGY TRANSITION, VEHICLE FLEET AND CHARGING INFRASTRUCTURE

Brimborg links its environmental priorities to the energy transition in transport. The company supports this transition through its range of products and services, as well as through its own operations, the development of related vehicle fleets and the expansion of charging infrastructure.

In 2025, Brimborg continued electrifying its own operations, long-term rental fleet, and Flandur car-sharing fleet. Flandur is fully electric, and the number of electric vehicles in the fleet increased during the year. Brimborg's full range of new passenger vehicles is also electric, and the company placed greater emphasis on selling and marketing used electric vehicles.

Brimborg also expanded its charging infrastructure during the year, increasing the number of Bílorka charging locations from 14 to 18 by the end of 2025. In 2026, the company will assess utilisation at each location and determine whether further development should involve new locations, relocation, changes in use or other infrastructure improvements.

The company also began importing battery-storage and inverter solutions as a pilot project relating to energy efficiency and solar energy. The solutions are currently in the testing phase, and testing has progressed successfully. In 2026, the continuation of the battery-storage and inverter project will be assessed, including potential applications in the company's own operations, charging infrastructure or related energy solutions.

Brimborg has operated a solar power installation on the roof of the Polestar showroom for almost four years. Annual generation has remained stable at approximately 19,500 kWh, and the installed capacity is 26 kW. The project supports the company's practical experience of on-site electricity generation and is linked to the continued development of energy solutions.

The sustainability statement also shows year-on-year reductions in fuel consumption and Scope 1 emissions.

Key performance indicator	2024	2025	Change
Fuel consumption	101,951 kg	62,149 kg	-39.0%
Scope 1 emissions	295.4 tCO_2e	180.8 tCO_2e	-38.8%

In 2026, Brimborg will more precisely identify where fossil-fuel consumption is highest across its operations, including by reviewing fuel cards, fuel keys, and vehicles in use. This work will support decisions on electrification, vehicle utilisation, and measures to reduce fuel costs and emissions.

Key Actions in 2025

- Electrification continued across the company's own operations and related fleets.
- The number of Bílorka charging locations increased from 14 to 18.
- The import of battery-storage and inverter solutions commenced.

BUILDINGS, ENERGY EFFICIENCY AND WATER CONSUMPTION

Brimborg aims to reduce the environmental impact of its building operations through improvements that increase energy efficiency and reduce energy loss, while also improving operational efficiency and working conditions.

In 2025, the company improved the roof of the Dalshraun workshop building by upgrading insulation to reduce energy loss and prevent water leakage. The project followed similar improvements previously conducted at Bíldshöfði 6.

Brimborg continued replacing older electricity, hot-water, and cold-water meters with automated meters. Veitur controls much of the implementation, which has delayed the project, but Brimborg continues to track progress. Automated data collection helps Brimborg prepare the sustainability statement and monitor consumption, costs, and potential operational deviations.

The year's results show positive developments in energy and water consumption.

Key performance indicator	2024	2025	Change
Total energy consumption	10,696,880 kWh	9,463,402 kWh	-11.5%
Hot water consumption	129,654 m³	114,237 m³	-11.9%
Total water consumption	159,891 m³	144,768 m³	-9.5%

In 2026, Brimborg will use energy and water data more effectively to identify deviations, costs, and opportunities to improve building efficiency. The company will prioritise a limited number of clear improvement initiatives based on consumption data, identified deviations, and their potential operational and environmental benefits.

Key Actions in 2025

- Brimborg renovated the roof of the Dalshraun workshop building.
- Insulation improved to reduce energy loss.
- The replacement of older utility meters with automated meters continued.

EMPLOYEE COMMUTING AND BUSINESS TRAVEL

Brimborg also monitors other environmental factors in its sustainability statement, including business travel and employee commuting. Business travel decreased year on year, while employee commuting patterns changed only slightly. This report does not include measures that target these two categories only.

In recent years, Brimborg has encouraged employees to use electric vehicles and active modes of transport. The company has also reduced business travel where other communication methods are available. When travel is necessary, Brimborg considers, where relevant, the emissions associated with the choice of transport and accommodation.

ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Brimborg links its environmental priorities primarily to Sustainable Development Goals 6, 7, 9, 11, 12 and 13. Through the energy transition, vehicle electrification and the development of charging infrastructure, the company seeks to support more sustainable transport. Through waste sorting, composting and improved waste treatment, Brimborg works towards more responsible resource use and stronger circularity in its operations. Improvements to buildings, the installation of automated meters and enhanced oversight of energy and water consumption also contribute to more effective operational management and reduced environmental impacts.

GOVERNANCE AND RESPONSIBLE BUSINESS CONDUCT

GENERAL GOVERNANCE AND ACCOUNTABILITY

Brimborg considers good corporate governance and responsible business conduct to be fundamental to sustainable operations. The company's governance framework is based on policies, rules and procedures that support sound decision-making, transparency, trusted stakeholder relationships, and compliance with statutory obligations and other standards adopted by the company.

Brimborg has adopted a corporate governance statement, a sustainability policy, rules of procedure for the Board of Directors, and other related policies and rules that support responsible business conduct. These include policies and procedures relating to human resources, human rights, procurement, competition, data protection, whistleblowing, the prevention of corruption and bribery, anti-money laundering and counter-terrorist financing, and other compliance matters.

In 2026, Brimborg will present this framework more clearly in its sustainability disclosures and use it to support target setting, accountability, and follow-up. The company aims to define realistic actions linked to clear strategic priorities and strengthen its management of sustainability, compliance, and responsible business conduct.

BUSINESS ETHICS, COMPLIANCE AND TRANSPARENT BUSINESS PRACTICES

Brimborg ensures that its business activities and decisions comply with applicable laws, regulations, and good business practices. The company reflects business ethics and compliance in clear standards for competition, procurement, tax compliance, contracts, and interactions with customers, suppliers, business partners, public authorities, and other stakeholders.

The company's Code of Conduct, Competition Policy, Procurement Policy and other internal standards provide a framework for responsible conduct in day-to-day operations. Brimborg's Competition Policy specifically supports fair business practices and establishes clear expectations that employees and managers comply with competition rules, including in recruitment processes, employment contracts and interactions with market participants.

Brimborg complies with applicable tax legislation and the principles underlying the rules that govern its activities. The company uses internal processes and information technology systems to monitor tax compliance, and an external auditor reviews its accounts annually. Taxation and transparency therefore form part of Brimborg's broader compliance and responsible governance framework.

In 2025, Brimborg recorded no fines or confirmed infringements relating to competition matters or tax compliance. The company will continue to emphasise full compliance with applicable laws and regulations, maintain responsible business practices, and lead by example in its stakeholder relationships.

PREVENTION OF CORRUPTION AND BRIBERY, GIFTS AND POLITICAL ENGAGEMENT

Brimborg has adopted a formal Anti-Corruption and Bribery Policy as part of the company's governance and compliance framework. The policy establishes standards of conduct for employees and managers in business activities, including standards concerning bribery, conflicts of interest, gifts, hospitality and other matters that may affect independence or decision-making.

Employees acknowledge the company's Anti-Corruption and Bribery Policy, and procedures are in place concerning gifts and potential bribery. Brimborg's fundamental principle is that managers and employees must not accept gifts, services or favours that could be regarded as influencing business activities, independence, or decision-making. Gifts and hospitality must be modest, reasonable and consistent with the company's standards.

Brimborg complies with applicable laws and regulations concerning political involvement and lobbying. The company may participate in consultation and public-comment processes relating to its activities, either directly or through business and industry associations. Such participation provides an opportunity to communicate views on matters affecting the company's operations, industry and business environment. It must, however, always be objective, transparent and consistent with the company's standards for responsible governance.

Brimborg identified no corruption incidents in 2025. During the year, the company also applied its rules on gifts and hospitality in practice, with a focus on consistent treatment, transparency, and reducing the risk of conflicts of interest.

Brimborg will continue to maintain clear standards for the prevention of corruption and bribery and to ensure that employees and managers have access to the applicable rules concerning gifts, hospitality, conflicts of interest and interactions with external parties.

Key Actions in 2025

- Brimborg applied its rules on gifts and hospitality in practice.

WHISTLEBLOWING SYSTEM AND REPORTING CHANNELS

Brimborg provides reporting channels for employees and external parties and enables confidential reporting of concerns, complaints, and information about potential irregularities. This framework supports transparency, trust, and professional handling of matters that may involve breaches of law, violations of internal rules, or conduct inconsistent with good business practices.

In 2025, Brimborg introduced a whistleblowing portal as an additional reporting channel. The portal gives employees and other stakeholders access to a confidential channel for reporting irregularities, violations, or other conduct that may require investigation. This measure supports Brimborg's objectives to increase transparency, strengthen trust, and ensure professional handling of reported concerns.

In 2026, Brimborg will monitor the effectiveness of the whistleblowing portal and clearly define how it receives, manages, and follows up on reports. This work may include reviewing responsibilities, response times, record-keeping, and procedures for cases involving managers or other sensitive aspects of the company's operations.

Key Actions in 2025

- A whistleblowing portal introduced as an additional reporting channel.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING

Brimborg has adopted a policy on anti-money laundering and counter-terrorist financing where applicable to the company's activities. The policy and related procedures form part of the company's compliance framework and support the conduct of business in accordance with applicable laws, regulations and responsible business practices.

Relevant employees follow a defined framework for these matters. The framework sets out the processes Brimborg must maintain to comply with applicable legal requirements and reduce risks related to money laundering and terrorist financing.

VALUE-CHAIN RESPONSIBILITY, CHAIN LIABILITY AND SUPPLIER PAYMENT PRACTICES

Brimborg emphasises responsible conduct throughout its value chain and expects its business partners to operate in accordance with applicable laws, regulations and the company's standards for responsible business practices. This approach relates to procurement, relationships with suppliers, contractors and subcontractors, contractual requirements, and the monitoring of factors that may affect the company's operations, reputation, environmental and social impacts, and governance.

Brimborg applies a Procurement Policy, a Supplier Code of Conduct and other standards that support responsible supplier management and fair business practices in relationships with business partners. Chain liability forms part of this framework and includes efforts to reduce risks relating to working conditions, occupational health and safety, human rights and business ethics throughout the value chain.

Supplier payment practices constitute a specific aspect of responsible business conduct and relate to predictability, trust and Brimborg's responsibilities towards its suppliers. This is particularly relevant to smaller business partners, which may be more vulnerable to delayed payments. Brimborg emphasises compliance with contractual terms and seeks to ensure that supplier relationships are based on professional and fair business practices.

In 2025, Brimborg presented its existing framework for procurement, the Supplier Code of Conduct, chain liability, and responsible business practices more clearly in its governance and sustainability disclosures. This work supports the continued development of supplier management and provides a basis for a more systematic approach to supplier classification, risk assessment, requirements, and monitoring. Brimborg began classifying its most important suppliers in 2024 and continued this work in 2025.

In 2026, Brimborg will continue this work, strengthen oversight of key suppliers, contractors, and subcontractors, and clarify the standards and monitoring arrangements that apply to distinct groups of business partners.

Key Actions in 2025

- The existing framework relating to procurement, the Supplier Code of Conduct, chain liability and responsible business practices presented more clearly in the company's governance and sustainability disclosures.
- Continued supplier classification; advance work in 2026.

MINIMUM SAFEGUARDS AND HUMAN RIGHTS DUE DILIGENCE

The minimum safeguards under the EU Taxonomy Regulation relate, among other matters, to human rights, labour rights, business ethics, taxation, competition, and the prevention of corruption and bribery. Brimborg already has principal elements of this framework in place through its policies and procedures, including its Human Rights Policy, Procurement Policy, Competition Policy, Anti-Corruption and Bribery Policy, Data Protection Policy, Whistleblowing Policy and other governance-related standards.

Human rights due diligence, or HRDD, involves identifying, prioritising, addressing, and monitoring risks relating to human rights and labour rights in a company's own operations and value chain. For Brimborg, this work relates, among other matters, to its own employees, employees of suppliers, contractors and subcontractors, chain liability, occupational health and safety, working conditions, and the reporting channels established by the company.

In 2025, Brimborg made its existing framework more visible in its governance and sustainability disclosures. The company therefore has a solid foundation of policies, procedures, and reporting channels, although it has not yet fully developed a formal, traceable HRDD process.

In 2026, Brimborg will define the scope and criteria for a practical HRDD process. This work will support the company's supplier-management objectives and identify the activities, risk factors, and supplier, contractor, or subcontractor groups to include in the first phase. Brimborg expects to consider initial implementation in 2027, after completing the preparatory work and depending on supplier-management progress. The minimum safeguards also relate to the social aspects covered in this report, including human rights, labour rights, equality, occupational health and safety, and the rights of workers in the company's own operations and throughout its value chain.

ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Brimborg aligns its governance practices and responsible business conduct primarily with Sustainable Development Goal 16 on peace, justice, and strong institutions. Its focus on transparency, business ethics, compliance, preventing corruption and bribery, whistleblowing arrangements, and clear governance supports sound, professional decision-making.

Brimborg also links value-chain responsibility, chain liability, and responsible supplier payment practices to Sustainable Development Goal 8 on decent work and economic growth and Sustainable Development Goal 12 on responsible consumption and production. The company will further clarify requirements for suppliers, contractors, and other business partners and link them more closely to risk assessments, contractual obligations, and monitoring.

SOCIAL SUSTAINABILITY

SOCIAL APPROACH AND MANAGEMENT

Brimborg treats social sustainability as an integral part of responsible business conduct. This focus reflects Brimborg's guiding principle, *A Safe Place to Be*, and covers the working environment and well-being of its employees, workers in the value chain, customers, other stakeholders, and the company's relationship with the local community.

Social sustainability at Brimborg is based on policies, processes and day-to-day practices intended to support a safe, fair and professional working environment. These include the Human Resources Policy, Equality Policy, Equal Pay Policy, Human Rights Policy, Safety Policy, Policy against Child Labour and Forced Labour, Whistleblower Protection Policy, and procedures for responding to bullying, harassment and violence. Other policies and governance documents, including the Data Protection Policy, Information Security Policy, Procurement Policy, Anti-Bribery Policy, Corporate

Governance Statement, Rules of Procedure for the Board of Directors and Code of Conduct, also support the company's social responsibility framework.

Brimborg monitors social matters through management structures, defined responsibilities, and specialised committees, depending on the issue. The relevant parties include the Board of Directors, Executive Management Team, Human Resources Department, managers, Equality Committee, safety committees, Fire Safety Officer, Data Protection Officer, and other persons responsible for policy implementation, reporting channels, safety, equality, data protection, and employee communication.

Social sustainability at Brimborg encompasses both protective measures, including employee rights, working conditions, equality, health, safety, occupational health and safety, and responses to bullying, harassment and violence, and improvement-oriented measures that support participation, inclusion, training, professional development and access to information.

Brimborg ensures that this framework is reflected in day-to-day operations, procedures, responsibilities, and follow-up, as well as in formal policies.

In 2026, Brimborg will use social disclosures more effectively to support target setting and follow-up, focusing on a limited number of clear priorities for employees, the value chain, customers, and society.

EMPLOYEE RIGHTS, WORKING CONDITIONS AND PROTECTION

Brimborg's employees are fundamental to the quality, safety and success of the company's services. Brimborg emphasises that employees should benefit from fair working conditions, clearly defined rights, equal opportunities and a safe working environment. This approach is based on statutory obligations, collective agreements, internal policies and the day-to-day practices of managers and other responsible persons.

Brimborg is committed to equality in working conditions and to ensuring that remuneration, employment terms and career progression are based on objective criteria. The company promotes equality, equal pay and equal opportunities through the policies referred to above and related human resources processes. The company's sustainability statement includes information on the gender pay gap and gender diversity, supporting the monitoring of equality and equal-pay matters.

The company also emphasises clear employment terms, predictability in the employment relationship, and working arrangements that take account of both operational needs and employee well-being. Priorities concerning the working environment and employee well-being include work-life balance, job satisfaction and the creation of a workplace in which employees can perform their duties under safe and fair conditions. In 2025, Brimborg implemented measures to improve work-life balance and the employee experience. These measures included changes to opening hours in certain operating units, where applicable, and a decision to grant employees an additional day of leave on their birthdays from 1 January 2026.

Brimborg uses employee satisfaction surveys to improve workplace culture and the working environment. The surveys allow employees to share their views and submit anonymous comments or suggestions, while helping the company analyse workplace relationships, working conditions, and potential improvement initiatives. Brimborg follows up survey results in a structured manner and informs employees of progress on related initiatives.

Health, safety and occupational health and safety form part of Brimborg's protective social framework. The company operates in accordance with its Safety Policy and places emphasis on safe working practices, training and clearly defined procedures. Risk assessments address physical safety, emergency preparedness and psychosocial working conditions.

Brimborg promotes a safe working environment and does not tolerate bullying, harassment, or violence. The company has procedures for receiving and managing such cases, with an emphasis on professionalism, confidentiality and the protection of those involved. Brimborg provides employees with a secure channel through which concerns can be raised anonymously via the whistleblowing portal on its website and employee portal. The company's guiding principle, *A Safe Place to Be*, is central to this work and relates to both the physical and psychosocial safety of employees.

DIVERSITY, INCLUSION AND ACCESS TO INFORMATION

Brimborg emphasises that employees should have equal access to information and be able to participate actively in the workplace, irrespective of their background. This is particularly important within a diverse workforce, where language, culture and access to information can affect safety, participation and the employee experience.

Brimborg operates in the automotive and service sector, a traditionally male-dominated field, particularly in technical and workshop-related roles. The company emphasises that positions are open to people of all genders and encourages all genders to apply for advertised vacancies. The company's sustainability statement includes information on gender diversity, including the proportion of women within the company and among supervisors and managers.

Diversity and inclusion involve not only equal treatment, but also ensuring that information, processes and communication are accessible to the workforce employed by the company. This focus relates to both inclusion and safety, as employees must have effective access to essential information concerning their work, rights, responsibilities, safety and human resources matters.

In 2025, Brimborg introduced a practice requiring general employee information emails to be issued at least in Icelandic and English. The company also began developing clearer bilingual communication for key employee materials, focusing on onboarding, safety materials, and essential human resources information.

In 2025, Brimborg began simplifying and automating selected human resources processes to improve employees' access to information and services. As part of this work, the company introduced an electronic employee portal at the beginning of 2026. The portal improves access to information and

simplifies communication, including by helping employees apply for certain employment-related rights or benefits, such as preferential terms for family members.

In 2026, Brimborg will continue improving access to information and strengthening inclusion in day-to-day operations.

TRAINING, SKILLS AND PROFESSIONAL DEVELOPMENT

Brimborg operates in a dynamic and competitive environment that places significant demands on employees and requires continuous adaptation. It is therefore important to maintain a workplace culture that responds positively to change and supports employees through training, career development and continuing education. These are important aspects of the company's operations, particularly considering technological developments, electrification and changes in the automotive and service sector. Such training relates to brands, technological developments, service quality, safety and employees' professional development, and contributes to professionalism, high-quality service and safe working practices.

In 2025, Brimborg employees took part in a wide range of training and educational activities in Iceland and abroad. Workshop employees attended overseas training, and employees completed various courses through the IÐAN Education Centre. These included electric-vehicle courses at various levels, the practical application of artificial intelligence in industry, wheel alignment and high-voltage battery diagnostics. Employees also received training relating to the implementation of new systems and specific projects. This training supports safety, service quality and employee competence in line with technological developments and changes in the company's operations.

Brimborg has placed particular emphasis on welcoming and training apprentices and strengthening relationships with vocational and technical education. In 2025, Nemastofa atvinnulífsins recognised Brimborg as an exemplary company for its strong workplace-based training and instruction of vocational apprentices. This work supports the company's future skills base and helps develop professional expertise in the automotive and service sector.

The employee portal introduced at the beginning of 2026 may also form part of a broader framework for training, communication and professional development within the company. It provides an improved platform for sharing information, simplifying processes and making it easier for employees to access materials and services relating to their work, rights and development.

In 2026, Brimborg will use training, the employee portal, and more systematic communication to strengthen employee competence, safety, and participation. This work will include continuing education for technical employees, training on technological developments, and a clearer link between competence, professional development, and operational needs.

HUMAN RIGHTS AND WORKERS IN THE VALUE CHAIN

Brimborg addresses human rights and other labour-related rights both within its own operations and through the expectations it places on business partners. These include respect for workers' rights, equality, fair treatment, workplace safety and the prohibition of child labour and forced labour. This focus also relates to the company's work on value-chain responsibility, chain liability and the minimum safeguards under the EU Taxonomy Regulation.

Brimborg's social responsibility also extends to workers connected to the company through contracting, subcontracting, and other forms of business relationship. Brimborg emphasises that business partners must comply with applicable laws and respect workers' rights, including requirements relating to working conditions, occupational health and safety, and human rights.

In 2026, Brimborg will clarify the requirements for key suppliers, contractors, and subcontractors and define how it will monitor compliance. This work also links to the governance section of the report, which covers responsible value-chain management, supplier management, and minimum safeguards.

SOCIETY, CUSTOMERS AND RESPONSIBLE INFORMATION MANAGEMENT

Brimborg's social sustainability framework also encompasses the company's impacts on society, customers, and consumers. Brimborg seeks to function as a responsible participant in the economy and to have a positive impact on the local community and its industry. The company supports education, knowledge sharing and professional development, including through training, workplace learning, the reception of apprentices and cooperation with organisations that promote knowledge and skills within the sector. This approach relates to social responsibility, the future skills needs of the industry and the company's ability to respond to technological change.

Brimborg also emphasises professionalism, transparency, and trust in its interactions with customers and other consumers. Responsible information management, data protection and information security form part of this framework and relate both to customer rights and the quality of services. These matters are becoming increasingly important considering digital services, operating systems and electronic communication with customers.

In 2025, Brimborg strengthened this framework through projects that improved information security and prepared digital processes for safer, more traceable, and more efficient information management. The company also enhanced its digital environment by applying stricter access controls to data and IT networks.

ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Brimborg links its social sustainability priorities primarily to the United Nations Sustainable Development Goals on good health and well-being, quality education, gender equality, decent work, reduced inequalities, and peace, justice and strong institutions. The company supports these goals by focusing on a safe working environment, equality, training, human rights, inclusion, a responsible value chain, and trusted customer relationships.

Through its emphasis on fair working conditions, equal opportunities, continuing education, safety and inclusion, Brimborg seeks to support a positive working environment and decent work. Through its focus on human rights, worker protection, value-chain responsibility and clear procedures for reporting concerns, bullying, harassment and violence, the company also supports individual rights and a more robust framework for social responsibility.

In 2026, Brimborg will link these matters more closely to clear objectives, responsibilities, and follow-up in its social disclosures.