



HJHANSEN
Recycling Group

ReView

2021-2022



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The year in brief

3,67

Bill. DKK
(2,4 Bill.)

Turnover

107

Mill. DKK
(73 Mill.)

EBT

35,3

Pct**
(23,5 %)

Solvency ratio

570

Mill. DKK
(486 Mill.)

Balance sum

201

Mill. DKK
(114 Mill.)

Equity

62

pct
(71 %)

Return on
Equity

1

Mill. ton
sent for

Recycling

228

per 30/9 2022

Employees

23

per 30/9 2022

Locations

A year of significant fluctuations

This financial year has been characterized by significant fluctuations in prices, currencies, supply and demand. The war in Ukraine put pressure on an otherwise stable market and led to rising inflation and energy prices. Therefore, we are particularly proud to be able to present such solid accounts for the year. [Read more on pages 54-55.](#)

HJHansen Wind Decom

Due to our extensive expertise in processing and shredding of materials, HJHansen Recycling Group joined forces with the largest Danish operators in the wind industry to explore the possibilities for responsible recycling of scrapped wind turbine blades. It is a field with great potential, and therefore in November 2021 we established HJHansen Wind Decom.. [Read more on page 56-61.](#)

Data, data, data

There is massive pressure on the planet's natural resources. And the scarcity of raw materials is a fact. Therefore, it is not enough to think the right thing. We must do the right thing. We will base our efforts on data, which is why this year we have launched mapping of scope 1, 2, and 3 upstream, energy optimization potentials, carbon on transport to/from our suppliers and much more. [Read more on page 28.](#)

Preparing for Reuse

We need to reuse and recycle more electronic waste. In collaboration with the producer responsibility association Elretur, we will set up a facility for sorting electronic waste at our site in Middelfart. We have worked intensively on the project during this financial year. [Read more on page 19.](#)

Increased rainfall

Climate change is affecting the weather in Denmark, and we need to address this at our sites. That is why this financial year we have invested heavily in water treatment, paving, and drainage to cope with more intense rainfall. [Read more on page 29.](#)

* The brackets indicate figures from the 2020-2021 financial year

** If subordinated loan capital had been subscribed as equity, the solvency ratio would have been 52.8%

HJHansen Recycling Group

At HJHansen Recycling Group, we take responsibility for the future by treating recyclable materials as resources. Through our efforts, we increase the reuse of resources, strengthen the possibilities to recover resources and reduce the overall resource consumption in society.

Therefore, it is natural for us to consider environmental, climate, social and management issues when developing our business.

At HJHansen Recycling Group we help with the recycling of scrap iron and metal. We are one of Northern Europe's leading companies in our field. We ensure that society uses fewer virgin resources, pollutes less, produces less waste and uses less energy.

When iron is recycled rather than produced new, up to 58% CO2 is saved and up to 72% less energy is used. Air pollution is reduced by up to 86%, water consumption is minimized by up to 40% and up to 76% less water is polluted. [\(link\)](#)

In other words, it is far from a cliché when we say that our efforts make a difference.

At the same time, we are constantly developing new innovative and technological solutions to recycle even more and even better.

There is massive pressure on the planet's natural resources. And the scarcity of raw materials is enormous. Therefore, it is not enough to think the right thing. We must do the right thing. And that is why we base our actions on data. If we don't have the data, we will get it. Because data is the key to putting our efforts where they make the most sense and deliver the biggest results.

► Read more about our initiatives in the 2021/2022 financial year on the following pages.

Number of material categories we handle: 778
Number of sales qualities: 309
Number of suppliers: 3399
Number of sales channels: 303



We are members of



Business areas



The core business is to collect and refine scrap iron and metal so that we can make more responsible use of nature's resources. We have experts in iron, metals, electronics, cables, etc., who are constantly working to optimize recycling. For example, by knowing the composition of each metal, we can use our extensive knowledge of smelters around the world to find the right customer for a particular alloy - optimizing recycling for the benefit of the environment and the business.



HJHansen Raw Materials

Our raw materials department focuses on recycling concrete, asphalt and other materials from demolished buildings and industries. The raw materials are used to replace virgin materials in the production of new cement, for example. Much of what we receive contains iron, which we remove for recycling.



HJHansen Demolition

Our team has many years of experience in the decommissioning of large and complex structures, for example, wind turbines, cranes, agricultural buildings, production facilities and much more.

Each job is carried out in accordance with given environmental and safety regulations. Every situation is unique and our team works for the best possible outcome every time.



HJHansen Wind Decom

HJHansen Wind Decom is an all-in-one solution for decommissioning wind turbines and recycling their many resources. We provide all necessary functions from the standing wind turbine to bare ground. Our goal is to establish an efficient and responsible treatment and recycling of disused wind turbines within the circular economy.



HJHansen Car Dismantling

When a vehicle has driven its last miles, we need to make sure it is treated properly and not parked on the side of the road, in the woods or dumped in the sea. Every year, HJHansen Car Dismantling environmentally treats more than 3,500 end-of-life vehicles, where we sort, treat and separate each vehicle. Finally, the environmentally treated Cars are sent through our shredder to recover the many remaining resources.



HJHansen Scrap Specialist

At the Scrap Specialist, we are experts in trading and processing scrap iron and metal from private individuals and small businesses. Through the strategic locations of Scrap Specialist's branches, we ensure broad coverage of Denmark.



Electronic Reuse & Recycling

Today, when a fridge or laptop is returned for recycling, almost all the materials are recycled to make new products.

Together with Elretur, we want to see more discarded electronics leave the waste stream and re-enter the market as recyclables.



Statement from the CEO

*When I look back at the 2021/2022 financial year,
I can't help but catch my breath.
In many ways, it has been an extreme year for
which we could not have prepared for.*

However, at the same time it has been a year in which, without good preparation, we could not have made a profit of DKK 107 million before tax. The otherwise well asphalted highway on which we were used to operate HJHansen Recycling Group,

changed to small winding paths in this accounting year, where we didn't know what was hiding around the next corner. Iron and metal prices this spring resemble seismographic fluctuations in an earthquake zone. As a result of the situation in Ukraine, demand for our products rose dramatically, only to fall again after a short time.

Thanks to the many years of experience of our skilled staff, we were able to steer the company well through this challenging period.

In contrast to the spring, the end of this financial year has been affected by inflation and rising energy prices. Many automobiles are now being life-extended rather than scrapped, and so we are receiving fewer scrap automobiles than usual. If fewer automobiles are sold, less steel is needed, and therefore prices fall. It's really as simple as that.

Scrap arises as a product of the way we live. If there wasn't a whole industry leading the way in removing residual materials, our society wouldn't be able to function.

As a recycling industry, we have a responsibility to do this work with great consideration for people, the environment and business. That is why we at HJHansen Recycling Group have invested heavily in the past financial year.

In new colleagues.

New business areas.

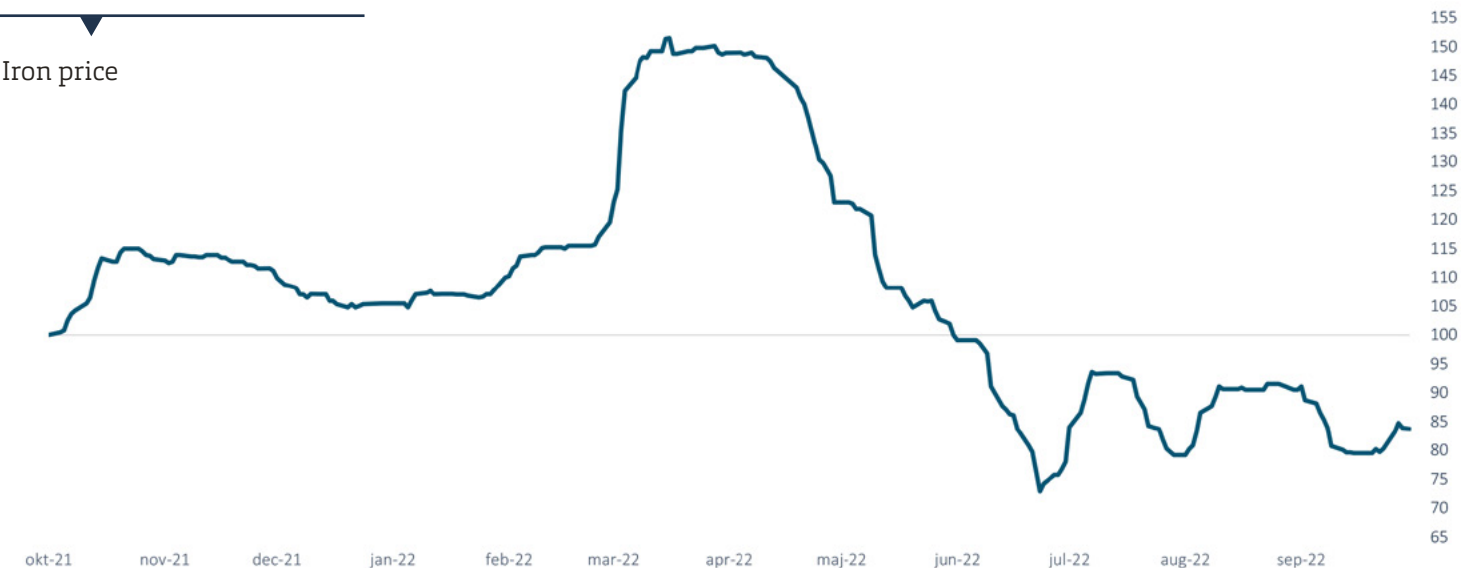
New technology.

It all stems from a strategic commitment we have made to each other in the company. We must give new life to resources. Iron. Metal.

Wind turbine blades. Raw materials.

It's not that many years ago that recycling was what we were doing. But we need to do more. I feel we are in a vast unknown sea of innovation, legislation, documentation and aspirations to take better care of our Earth. As we take each step, we don't know where we will end up on the other side.

Iron price



Copper price



However, we don't think it's possible to stand on the sidelines and wait for others to point us in the right direction. So, in 2021, we took the first step.

As we take each step, we lay some stepping stones, such as [ABS](#), [Code of Conduct](#) and [Scope 1, 2 and 3](#), which you can read more about in the year's review, which we call ReView. It is our ambition that these stepping stones can set a direction for the recycling industry's development in the coming years and that we can explore with our stakeholders the many opportunities that await us. The stepping stones will not lie in a straight line and not all equally stable. We need to be honest about this, because both the direction and the goals are constantly changing and shifting. The most important thing is that we are working on it. That is what we want to talk about here.

Enjoy our ReView on the financial year
1 October 2021 - 30 September 2022.



CEO
Mogens Bach Christensen



Statement from the Chairman of the Board

I have no doubt that the HJHansen Recycling Group will continue to create many excellent results.

At the HJHansen Recycling Group we are proud of and delighted with the results we have achieved for 2021/22. The results confirm that the strategy adopted in early summer 2019 proved to be the right one.

HJHansen Recycling Group went through a very difficult period from 2011/12 to 2018/19, resulting in large losses. The company's liquidity was very strained and severely challenged, while its equity was largely eaten up.

With its back against the wall, a small core of the Board decided to implement the following at the company:

- ▶ To reduce the Board
- ▶ To replace the CEO and CFO
- ▶ To implement a comprehensive savings plan
- ▶ To focus future investments so that they could be accommodated within annual depreciation
- ▶ To switch financial partners

To inject DKK 75 million in new subordinated loan capital

As an essential integral part of the plan, it was decided to adopt a new strategic plan that included the following main objectives:

- ▶ Firstly, to stop the deficit in both operational and cash terms within a few months by implementing a comprehensive savings plan
- ▶ Secondly, to stabilize the company at an acceptable level of profitability

- ▶ Thereafter to embark on an organic growth strategy within existing activities
- ▶ Finally, to follow up with a growth strategy that also included acquisition-based purchases, as well as an expansion of the business scope by entering new business areas.

Over the past 3.5 years, we have seen the results of the strategy that was put in place. Our new commercial management, together with some loyal and very dedicated staff members are executing on the new agenda.

An excellent foundation has been the respectful and trusting collaboration that we have on the Board of HJHansen Recycling Group. In addition to the traditional Board meetings, once a year we have an extended day meeting with the management team to follow up on the strategic plan and make the necessary adjustments for the next 3 years. It provides a long-term view and creates consensus on the goals for the future.



*Chairman of the Board
Christian Pagaard Junker*

Statement from the owner

Skilled and competent staff have steered the company safely through some very volatile months.

When I look at this year's accounts, I'm pleased. Pleased that HJHansen is fit for fight again. It's not many years since we saw negative figures at the end of the year. However, we in the HJHansen Recycling Group have made many strategic changes since then, and it has been the right thing to do. This is proven again this year, where skilled and competent employees have steered the company safely through some very volatile months and finally the onset of recession.

Since our turnaround 3.5 years ago, we have had a focused ambition to consolidate our position as a leader in the Nordic scrap metal recycling market. This year we have launched or continued to work on a number of exciting initiatives, such as a new supplier portal, Code of Conduct, identification of Scope 1, 2 and 3 and much more.

Recently I was talking to a younger person who didn't know what we were doing. I told her and her reaction was: "That's really cool. You are very modern." I find that amusing because that is not what you would normally associate with a company from 1829. But it does mean that we are reaching far in society's perception of our industry, which is great to see!"

This year we have been able to celebrate many anniversaries. I think it's a fantastic gift for HJHansen Recycling Group to have such a loyal staff. I can even remember when I was trained down in the metal yard by John Bentsen, who this year celebrates 45 years with us. All jubilarians have a lot of valuable experience.

At the same time, I very much welcome the fact that we are aiming to bring more young and imaginative staff on board. I am sure that the combination of experienced strength and young energy will take the company far.

I am glad that I persistently believed in the employees and HJHansen when the company had to go through the crisis, and now we are on the other side. They have worked hard. So, on this occasion, the financial year ended with a big party for the entire

H. J. Hansen Group (HJHansen Recycling Group and H. J. Hansen Wine) on 1 October. It was a great pleasure to see how the whole group was united and the employees enjoyed themselves across work areas and geography.



*Owner of H.J. Hansen Group
Jens Hempel-Hansen*

The Strategy

What strategic direction should HJHansen Recycling Group set for the next 3 financial years?

We asked ourselves this question, and it has resulted in a new strategy for 2022-2025, which we call the "strategy house".



Our vision

We will reduce society's resource consumption, we will increase the reuse of society's resources, and we will recover and recycle as many of society's resources as possible.

Our strategic focus areas

Business acumen · Knowledge of materials · Production · Environment · Technical and markets



Our strategic goals

We will safeguard our current business model. We will set the industry standard for responsibility regarding resources. We will be a leader in the use of technology for sorting. We want to offer our employees an attractive and meaningful place to work.

Our strategic focus areas

1. Business model

We are taking the necessary initiatives to future-proof the current business model.

2. Responsibility

We are extremely ambitious when it comes to responsibility, quality and safety. We want full transparency and documentation at all stages of our value chain.

3. Development

We are continuously developing innovative and technological solutions to recycle even more and even better. With more and better recycling, we will all have more value and more opportunities in the future.

4. The workplace

We understand that employees are the company's most important resource, and that retaining employees and recruiting new ones is crucial to the future development of the company.



Our value

We want to be a credible, respected and progressive partner. We want to create value for society through innovative and responsible solutions for recyclable resources. We want to interact actively with our environment on all matters related to the resources we manage.



Our mission

Every day we work to create a world where recyclable materials are treated as raw materials that must not go to waste. We work for a more responsible use of natural resources and for a balance between people, environment and business. We extract raw materials from residues and give them new life. In doing so, we make it possible to use fewer virgin resources, prevent pollution and minimize both waste and energy consumption. We give resources new life.

In our strategy house, we have our values and missions as a solid foundation. We want to be a credible and progressive partner, working together to ensure that the Earth's recyclable materials are not lost.

The house also has four windows where it is possible to look in on ourselves, as well as out into the world.

The first window we call "the business model", where we continuously work on future-proofing our business model and existence. In essence, it is about spreading the understanding that scrap is an important resource that we need to treat so that its value is not lost.

The next window is called "responsibility", where we are extremely ambitious when it comes to environment, quality and safety. We want full transparency and documentation at all stages of our value chain.

The third window is called "development", where we will continuously develop innovative solutions to recycle even more and even better, so that we all get

more value and more opportunities in the future.

The last window is referred to as the "workplace", and should be understood as more than the physical environment of our workplace. Employees are our most important resource, so it's essential for us to retain and develop existing ones and recruit new ones.

On top of the bricks are the rafters, or core skills. It is our knowledge of materials, production, environment, technology, business acumen and market share that together hold the house together and the roof up.

At the top, the roof shoots up into the air. The roof is our vision for the future, and as the shape suggests, shows where we want to go. We will reduce society's resource consumption, we will increase the reuse of society's resources, and we will recycle as many of society's resources as possible.

Like a flag on the house's flagpole, and hence what you see most clearly from a distance, flies our new mantra:

We give resources new life.

CEO
Mogens Bach Christensen



Photo: Aluminum packaging

Waste hierarchy

What is the waste hierarchy?

We often joke that we've been doing circular economy since 1888, when we really got into scrap.

That is why it's great to see the focus now on recycling materials, and its importance in relation to the circular.

It's clear that the higher we go in the waste hierarchy, the greater the impact.

That is why our goal is also to take a step up every time we have the opportunity.

CEO
Mogens Bach Christensen



The waste hierarchy is based on an [EU-directive](#) that sets out how waste should be treated and managed in order to have as little negative impact on the environment and climate as possible. The higher up the hierarchy, the better, as waste is in many cases a valuable resource.

1. Prevention



2. Reuse



3. Recycle



4. Recover



5. Disposal





Electronic Reuse & Recycling

Importers and producers of electrical products are responsible for reusing, recycling or disposing of electronic waste in an environmentally responsible way. Together with the producer responsibility association Elretur, we at HJHansen Recycling Group are helping to ensure that as many electrical products as possible are recycled or reused.

For many years, we have recycled white goods and refrigerators in collaboration with Elretur, and from June 2021 we have also been responsible for recycling other electronics and electronic appliances.

Since then, we have been testing technologies and ways forward that will be used in a future "Preparing for Recycling" center (PfR-center) to be located at our site in Middelfart, where we currently sort electronics for recycling.

The center in Middelfart is one of two PfR facilities, the other being built in Roskilde by Elretur and Stena Recycling. We expect both centers to be completed in the next financial year, and our analysis estimates that this could boost direct recycling of white goods by 3,500 tons.

This represents a 7-fold increase compared to today.

In early 2023, we will set up Electronic Reuse & Recycling together with Elretur, so that together we can handle Denmark's discarded electronics products.

Reusing discarded electronics can lead to significant savings in carbon emissions, mainly because it saves valuable and very energy-intensive resources in the production of new products.

Recycling of white goods and refrigerators.

At our site in Odense, we receive large quantities of white goods and refrigerators that consumers have handed in at recycling centers for recycling. Since May 2022, we have been reviewing the incoming appliances with a view to discarding those that have potential for reuse. During the 6 months, 1300 white goods and refrigerators were sampled and sent for reuse via approved dealers after cleaning and any repairs



Photo: Grzegorz Swierski examines delivered white goods for potential recycling



Photo: Pile of electronics to be sent for recycling

Focus on quality

At HJHansen Recycling Group, we make a big deal of our quality control. We want to ensure that our customers are correctly charged for the quality delivered. Similarly, control is essential for compliance with our ISO quality and environmental certifications.

Every time we receive a delivery, it must be checked so that we are aware of exactly what we are receiving. The continuous monitoring is to ensure that we comply with our environmental permit and thereby our ISO 14001 on environmental management and ISO 9001 on quality management.



Commercial Director
Ditte Leu Johannessen

Our inspectors at all sites analyze all deliveries and check whether they contain:

1 Items from our negative list, such as lithium batteries, gas cylinders, pressure cylinders, etc. If these go through our shredder, it's damaging both the environment and our machinery.

2 Loose waste that has nothing to do with the product; it can be soil, gravel, or other objects, which do not contain iron and metal. It is withdrawn at quality control and invoiced.

Our shredders and refiners are built to handle complex materials that are not made entirely of iron or metal, but the machinery is not intended to be used as a bin for other loose waste.

Of all the materials we received in our shredder this financial year, 1.65% was categorized as loose waste.

If our inspectors find unwanted elements in a delivery, a deviation is created and our market consultants engage in dialogue with the supplier about the problem, as we want to make visible to our business partners that loose waste or explosive items do not belong in the goods.

If we did not have this control, our clear assessment is that the waste rate would be higher.

Quality Day

HJHansen Recycling Group operates at locations all over Denmark and in Sweden, and therefore we have a task to ensure the same quality and control of the goods we receive at all locations.

We make a big effort to train our staff. Specifically, all department heads from our sites meet 1-2 times a year for quality days, where we focus on:

► **All materials must be correctly categorized on receipt in terms of type of material and any loose waste or items from the negative list.**

Some materials can be recognized, others tested with a magnet or handheld metal analyzers to see the composition at the elemental level.

Especially the amount of loose waste requires a lot of training, as this is mostly estimated by eye measurements. It's impressive how little 150 kg of soil takes up, and even experienced inspectors can have challenges. Fortunately, we have the help of scales and cranes everywhere.

There is a focus on:

► **Submit deviations correctly so that we can inform our suppliers in a well-documented way if their submitted materials do not meet the agreed quality.**

► **Internal stock movements are correctly recorded, ensuring data flow and transparency at our company.**

► **Input control of incoming materials, so we know which qualities we receive and from which suppliers they come.**

Another important aspect of the Quality Days is to get together all employees, because it strengthens the social unity. At the same time, it creates a space where you dare to ask questions and talk about the mistakes and successes you have experienced in your work.



Photo: Kurt Riegelsen checks a delivery for quality

The scrap's journey

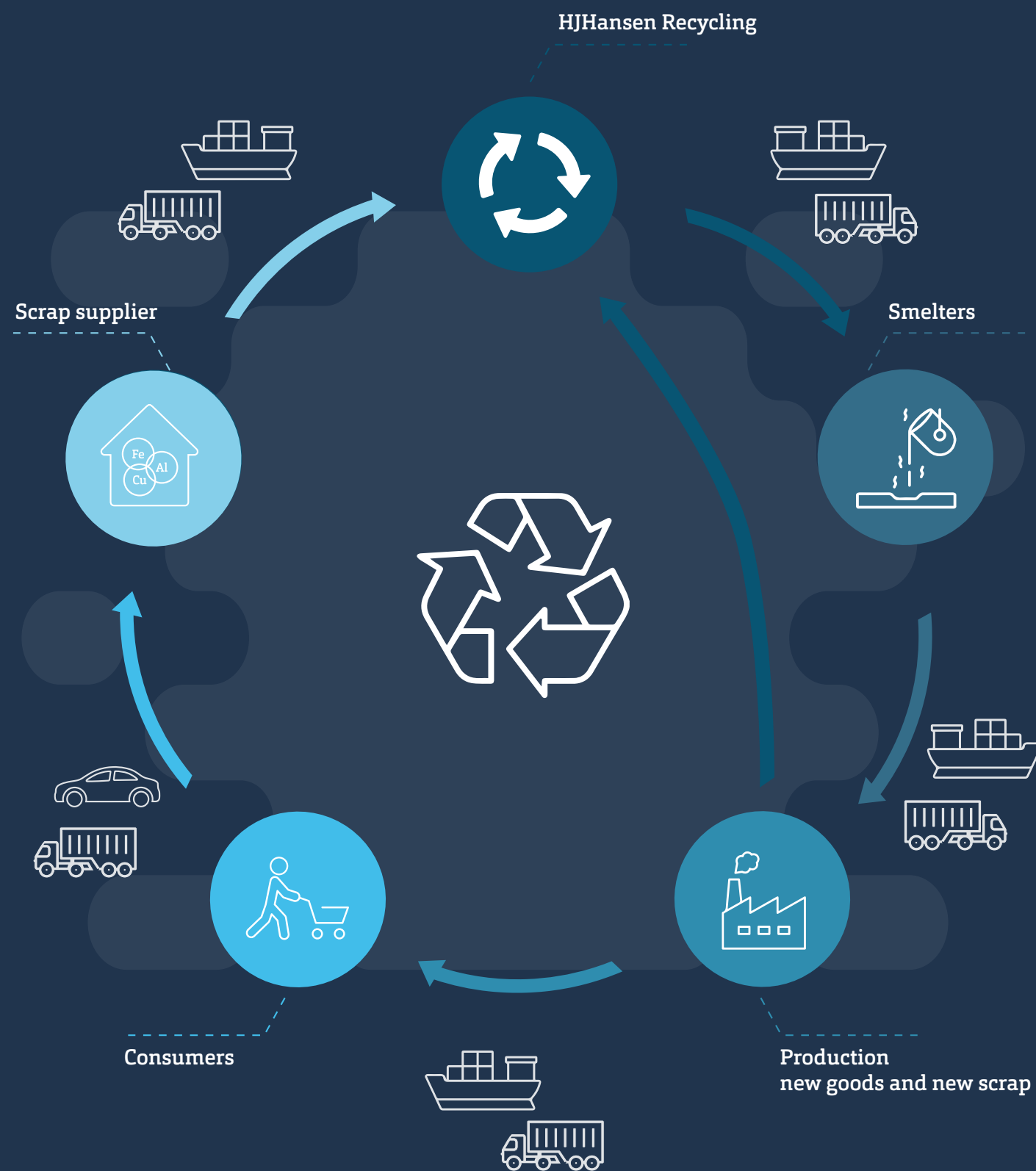


Illustration of The scrap's journey

The scrap value chain

Climate action cannot be approached from one angle. It is essential to think through the whole value chain. From products becoming scrap, to the scrap reappearing as new raw materials ready to go into new production.

At HJHansen Recycling Group, we have created three tools: HJH360, Approved Buyer. System and our Code of Conduct. Together, they give us transparency in our dealings, a common language and a solid contractual basis.



Code of Conduct

In the HJHansen Recycling Group, we work to use natural resources more responsibly and to create a balance between people, the environment and business.

We want to maximize transparency and insight into environmental, climate, working conditions, human rights and anti-corruption issues throughout our value chain.

We set high standards for ourselves. And we want our customers to do the same. Therefore, this year we have updated our Code of Conduct, which must be respected in our collaboration.

With the appointment of a new sustainability manager and head of communications and marketing, we have upgraded our focus on corporate responsibility this financial year.

Our previous Code of Conduct has therefore been reviewed and updated to ensure that the entire set of values of the HJHansen Recycling Group as a business partner is reflected.

[Click and read our Code of Conduct for Business Partners](#)



CODE OF CONDUCT

for forretningspartnere





Approved Buyer System

We want to be visionary. That is why we constantly strive to set the market standard for transparency, accountability and circular economy.

In order to set an ambitious standard in the industry, we have built the Approved Buyer System (ABS) database, where we collect data from our customers on relevant environmental permits and work in a structured way on quality, environment and working environment.

► More precisely, we ask our customers to show that they are:

Quality

Certified in quality,
e.g. ISO 9001

Environment

Certified in the
environment, e.g.
ISO 14001

Working environment

Certified in the
working environment,
e.g. ISO 45001

License to operate

According to
national and
regional legislation

We endeavor to visit our business partners in the EU every year, where we review the areas of our Code of Conduct for Business Partners, as well as review their certifications and permits.
We want to visit customers outside the EU at least every 2 years.

ABS started this financial year and we are in the process of collecting data from our customers in the EU and we will extend the work to our trading partners outside the EU in the coming year.



Front page on HJH3

To make resource recycling even easier, this year we developed HJH360, our new supplier portal, where we present all data from scrap to new raw material. This applies to:

- Carbon load on transport
- Statistics on waste data
- Ordering transport
- Deliveries and other documents

In the long term, the ambition is for it to be a platform that gathers all information about our trade with each customer - including the full climate footprint. We are working on this by, among other things, demanding recycling percentages from our customers. Here, the Approved Buyer System forms the data basis. At the moment, however, we do not have enough data to calculate all the links in this chain - but we will!

HJH360 was launched in December 2022.

[See more about the platform here.](#)

The 17 Sustainable Development Goals



Make the SDGs our goals

At HJHansen Recycling Group, we have high standards for how we document and set targets for our ambitions. This includes our work on the UN Sustainable Development Goals (SDGs).

Based on the report “[Make the SDGs our goals](#)” - 197 Danish metrics for a more sustainable world, we have screened each Danish metric and original SDG against our business. We have done this through a scoring system that takes a matrix of risk and opportunity as its starting point. In this way, we have been able to score the 197 Danish sub-targets on a scale from 1000 points, where we have frequent and high impact, down to 24 points, where we have rare and low impact.

Building on this work, we will start in the next financial year to identify the measurement points for the sub-targets where we have a relatively high impact. Without metrics, we will not be able to identify the status quo and progress from year to year.

A decision is then made on which sub-targets we at HJHansen Recycling Group actively choose to work with. This will be communicated on our website and we will take stock of the milestones in future ReViews. Furthermore, we will evaluate the 197 sub-targets annually to see if there have been developments in the company that require us to embrace more or other of the sub-targets going forward.



Photo: SDG-workshop



Climate and environmental impact

Scope 1, 2, 3

We must take care of nature and its resources. This is a key issue for the HJHansen Recycling Group, which is why we will continue to work with new and high standards for climate targets.

In order to design our climate targets, we need to know our starting point. Where and how much carbon do we emit? In today's world, it is not enough to look at our own emissions in isolation. We need to look at our indirect emissions too - where we get our electricity from, the value chain of our scrap, etc. The standard for this is the internationally recognized [GHG-protocol](#), where the letters stand for Green House Gas.

By following the protocol, we recalculate how much we emit from the sources we own or control (Scope 1). To this we add the emissions from our consumption of electricity, district heating, etc. (Scope 2). And finally, we calculate the emissions of our value chain - that is, the emissions caused by suppliers and customers in the process from scrap to new raw material (Scope 3 upstream).

Data basis and optimization

In collaboration with consulting engineering firm EnergySolution, we have identified our

carbon consumption for our 2020/2021 financial year as a baseline year, based on Scope 1, 2 and 3 upstream. Once we can compare the baseline year with the identification of the 2021/2022 financial year, we can start to make a carbon reduction strategy based on data.

A sound decision-making basis is essential for our strategy to take account of potential risks, forthcoming legislation and charges, and to be realistic about where we can make the best difference. And that is why data and data quality is a big focus for us.

Therefore, the climate accounts are our tool for working on climate action in the coming years.

*Sustainability Manager
Morten B Andersen*



Value chain from scrap to raw material



Water treatment

This financial year we have focused on optimizing our water treatment. Today, we discharge receiving water at some of our sites, which means to bodies of water that receive wastewater. The requirements for the quality of this water are tightening and we want to be at the forefront of current legislation.

We cooperate with the water treatment experts ClearWell from Sweden on treatment of our wastewater.

In 2021, we had a new wastewater treatment plant installed at the Malmö and Prøvestenen sites. The idea is that this recirculation technology will also be implemented in Odense.

We are waiting for winter rainfall to test whether the system also performs under high pressure before it is rolled out to other sites in the coming financial years.

With technology and collaboration, we are better placed to meet the demands of water treatment in the future.



SeaBin

At our site in Odense, we have a harbor inlet with calm water from the Odense Canal, where floating elements can collect. This year, we installed a SeaBin, an automatic marine waste bin that captures waste and other material lying on the surface water.

There is a current inside the Odense Canal, pushing the water from the inner harbor to Lindø, and sometimes the water is pushed into our inlet. Therefore, we collect not only the floating materials that we may lose, but also from other places in the canal, such as chip bags from the inner harbor or plastic from Lindø.

In addition to our SeaBin, we have also established a floating bridge with an aluminum boat, so we can collect floating items on the rocks in front of our premises towards the canal

Energy optimization

We have a large power consumption, especially at our site in Odense, and we know that there is potential for optimization. That is why we have worked with Siemens to produce a report with concrete ways to minimize our energy consumption in production and at headquarters. The first initiatives will be launched in the coming financial year.

*Head of the technical department
Emil Bjerg*



Photo: The quay area at the site in Odense, where the coaster Ann Rousing picks up and brings scrap

More cover and paving

One of the consequences of climate change is wilder weather. More rainfall, more drought, more heat, more wind. Of course, we have to take this into account at our sites, which is why this financial year:

**12.000
m²**

Laid 12,000 m² of new paving and partial new sewerage at our site in Hadsund.

**700
m²**

Established 700 m² of covering at our site in Odense to protect materials from rain.

ISO certifications

We follow the guidelines of the ISO certifications on environment and quality at all our sites and we were recertified in 2022

**Quality
9001**

[See our 9001-certification](#)

**Environment
14001**

[See our 14001-certification](#)

Climate and Environment Policy
[Link to our Climate and Environment Policy \(Danish\)](#)

Investments

We will be the first company in the world with this technology and procedure.

Robotics

In collaboration with the Danish Technological Institute and InCite Robotics, we have started a project to help us improve our separation of copper from the iron fraction that comes out of the shredder.

The project started up last financial year with very early steps in the laboratory, where the artificial intelligence should learn to recognize copper. The project has run in three phases and the last phase took place "live" in the refining process after the shredder.

There are two main reasons why we have embarked on this project:

1 The working environment for the four people who are currently manually sorting copper from iron. It was stressful on the eyes and head to see these bands of materials flowing by, so we want to improve that.

2 We want as clean fractions as possible, and copper should not be included in the iron fraction. Copper pollutes the recycling of iron, and at the same time, the copper should not be wasted by not being recycled itself. A conservative estimate would be that with the implementation of robotic technology, we will be able to sort out 10-15% more copper than today.

InCite Robotics will develop the actual robotic cell with claws that will perform the sorting work.

With this initiative, we become the first company in the world with this technology and procedure.

New warehouse

We have started the renovation of our site in Odense, where we have removed the old warehouse. Both for cosmetic reasons, to allow more space for our work and better visibility of the site. But also to optimize and automate the warehouse, so there is less waste of resources. We have come a long way and the result is excellent.

Machinery

This year we have replaced two diesel trucks with electric ones, which gives us an annual diesel saving of up to 17,000 liters.

*Production Director
Lars Haunstrup*



The shredder

The shredder is the nerve center of much of what we do at HJHansen Recycling Group. It's a big machine that, like a parsley chopper, can fragment the complex materials we receive. In this way, for example, an automobile or dryer can be sorted into different material fractions, which are then sent for recycling.

Our shredder is an old lady from about 2000. We have four or five dedicated staff who care for her every day. The normal service life of a similar shredder is 15-20 years. This year she celebrated her 22nd birthday, and it's definitely thanks to the good daily maintenance!

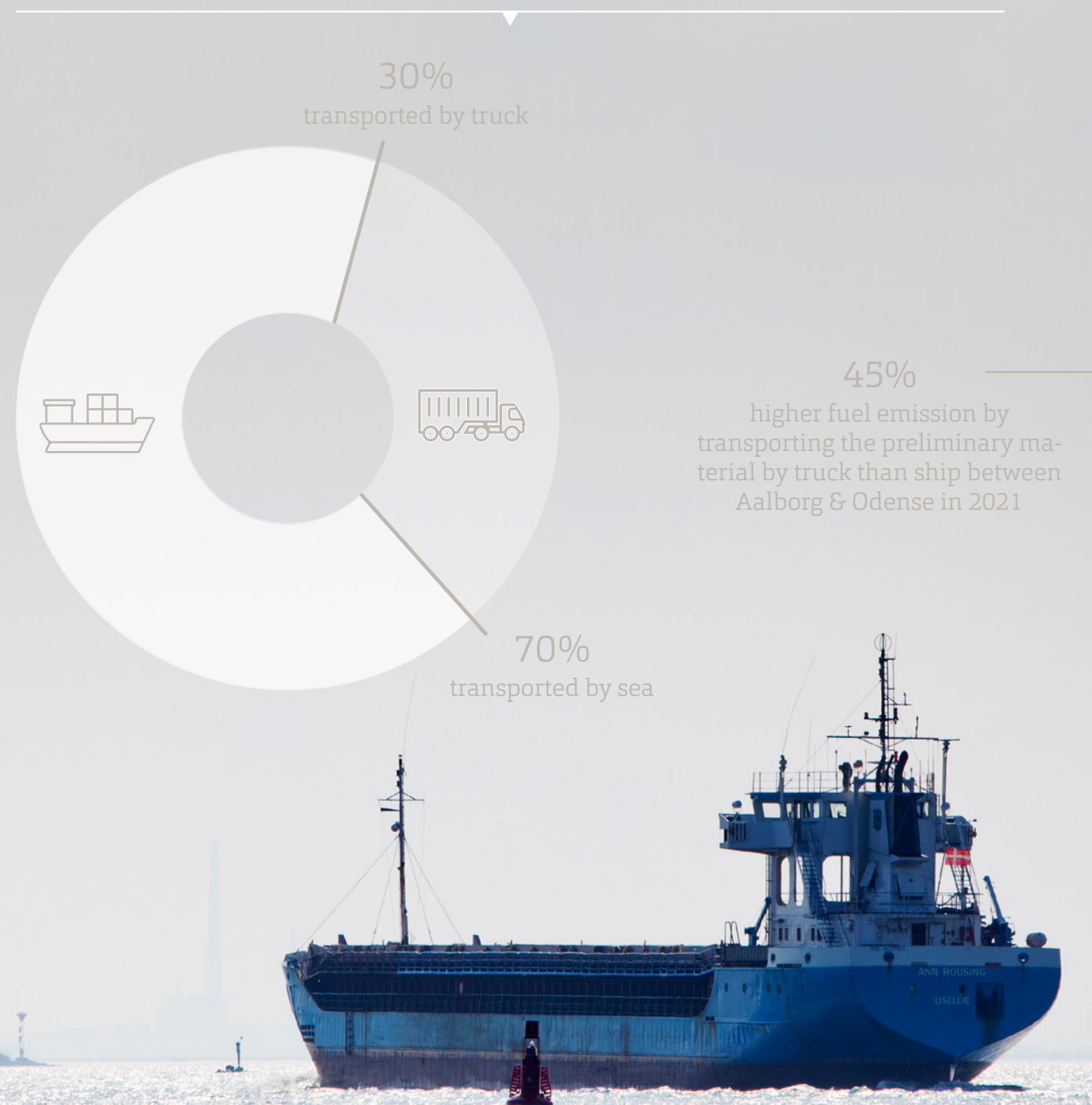
I have a mantra: If you have machinery that is critical to the business, you need to have your own people to look after it. It's about sense of ownership. Obviously, as the years go by, the faults also get bigger - especially when you deal with huge amounts of scrap every year like she does.

*Production Director
Lars Haunstrup*



Photo: Brian Madsen, doing daily maintenance on the shredder

Transport



Scrap by sea

Scrap is often large and heavy. That is why the vast majority of HJHansen Recycling Group's sites are located by the water, so we can transport as much cargo as possible by ship. In this financial year, 70% of all our scrap in Denmark was transported by sea, while 30% was transported by truck.

When we transport scrap iron between Aalborg and Odense, we do so by ship rather than by truck, as this has lower fuel emissions and hence less negative impact on the environment.

The goods have to be transported to Odense to be either processed through our shredder or to be loaded onto the large deep-sea vessels at Lindø.

In the 2021 calendar year, we transported approximately 49,000 tons of preliminary material to the shredder from the port of Aalborg to Odense with the ship Ann Rousin.

Calculations show that if we were to transport the scrap by truck rather than ship, the carbon equivalent fuel emission would be 45% higher between Aalborg and Odense.

By transporting our scrap by sea rather than by truck, we also spare the environment and the Danish road network 2,446 truck journeys between Odense and Aalborg.

[See the assumptions for the calculation here \(Danish\).](#)

Locations



Photo: Loading a Deepsea on Lindø



Fill rates

We are continuously working to optimize the fill rates of our transports for the benefit of the environment and the economy.

Every day we work to pack our containers in the best possible way, optimizing the carbon emissions associated with transport.

This year we have been able to optimize our internal transport with an index of 103 on coasters and 108 on trucks compared to the previous financial year.



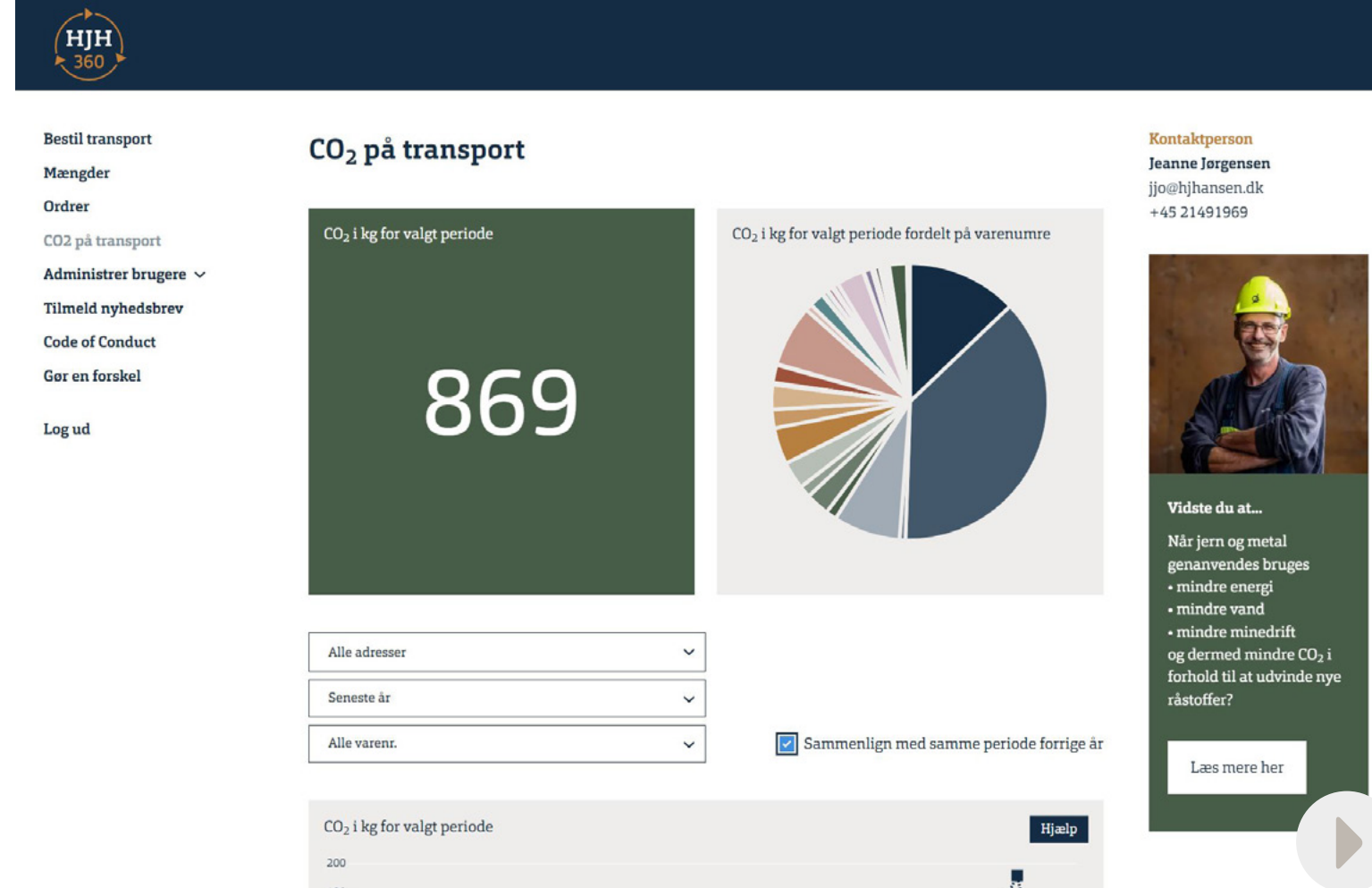
*Logistics Director
Rasmus Oldenburg*

Transport of scrap emits carbon and it is therefore extremely important that we continuously optimize our logistics. One of the ways we will do this in the coming financial year is through HJH360, where we have made calculations on carbon associated with transport.

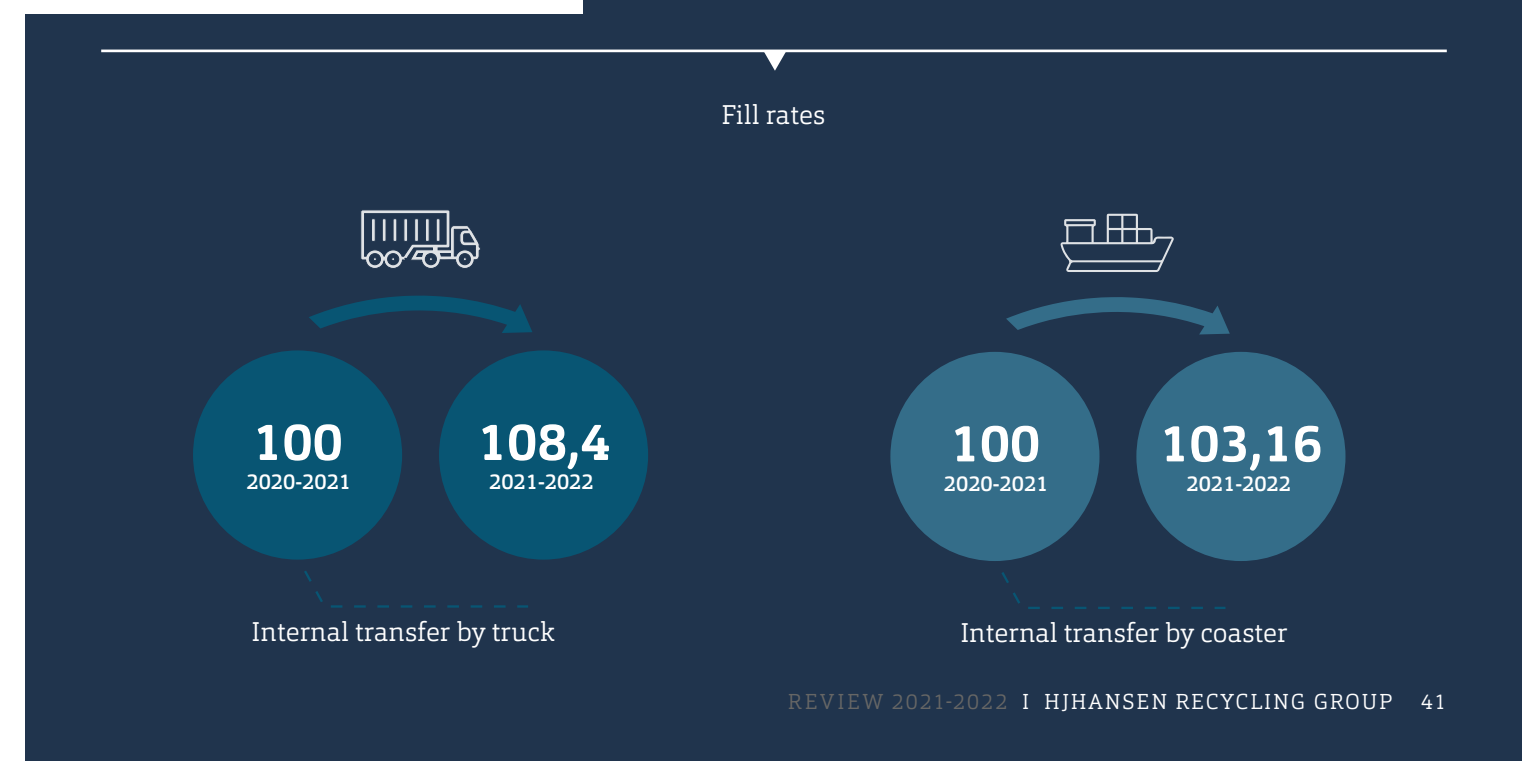
This tool will help customers understand that collecting their scrap is resource-intensive and they need to pack their containers as well as possible.

We want to meet the increasing demands for traceability in the value chain. Therefore, from March 2022, we have established a separate handling of materials from municipal recycling centers. It is kept separate at the reception sites, during transport to Odense and run through the shredder alone, so we know exactly what it has contained.

We want full transparency in our industry, which is why we are working hard to implement this in our value chain.



► Extract from HJH360 with carbon calculations associated with transport. [See more here.](#)





Staff automobiles

In the HJHansen Recycling Group, we have decided that when employees change their company automobile in the future, it will be to an electric automobile.

Our employees drive many miles each year, so our choice of company automobile also has a climate impact. We have decided that when employees change vehicles in the future, it should be for an electric automobile.

In this financial year, there have been major delivery difficulties for automobiles, which is why we currently only have two electric automobiles and one hybrid automobile on the road. We expect to receive a further electric automobile in January 2023.

Our expectation is that the majority of company automobiles will be replaced by electric automobiles over the coming years. That is why we have signed an agreement with Siemens to install electric charging points around our sites. They will be installed during the next financial year.

However, it is important to point out that our target for switching to electric automobiles may change if we get scientific evidence that the production and recycling of electric automobiles has a greater negative impact on biodiversity and other environmental factors during their lifetime compared to automobiles that run on fossil fuels or other propellants.

We are aware that the metals used to manufacture rechargeable batteries may have been mined in situations where human rights are compromised. At the same time, research is being carried out into the possibility of mining in the deep oceans, which could potentially damage biodiversity.

We are aware that the focus in the future will not only be on carbon reduction, but also on the impact on biodiversity.



CFO
Steffen Simpson Jonassen



Photo: Roy Andresen, foreman for the shredder team



The most important resources

Health and safety

The employees are and will remain the most important resources for us in the HJHansen Recycling Group.



We continually strive to maintain a high level of well-being and low sick leave among our employees by, among other things, providing a safe and healthy working environment.

As part of this, we follow our ISO certification in occupational health and safety management systems at all our sites; and our environmental department has a strong focus on accident prevention through accident and near-miss analysis; as well as our work processes being continuously adjusted to best prevent unintentional impacts and physical and mental disabilities.

Mental health has become increasingly important in our work at HJHansen Recycling Group. One of the ways we try to safeguard the psychological well-being of our employees is through a flat organizational structure, well-defined positions with a high degree of freedom, open, positive dialogue and continuous follow-up on employee well-being.

At the same time, we want to create more frequent and more data-driven insights into our employees. Therefore, in the coming financial year, we will launch a new tool where we ask all employees every 14 days to report on their mental and physical well-being, in order to detect stress, physical and mental disabilities or similar in time.

*Head of QHSE
Kim Schroll Nielsen*



ISO 45001

We are certified according to ISO 45001, which is an internationally recognized standard in working environment management systems. [See here](#)



Photo of Per Høj Andersson, who taps gas and oil from compressors from refrigerators on a daily basis.

Inclusion, equality and diversity

HJHansen Recycling Group is founded on solid principles of credibility and responsibility. We are proud of our employees who work every day to recycle the world's resources.

Equality

For us, equality is about equal rights and Changes are ongoing, but we want to put opportunities, including equal access to career opportunities, management positions, equal pay for equal work, skills development, taking into account the different needs of employees, etc., to ensure a good working environment at all levels of the organization regardless of gender.

It is also important to us that everyone is treated with respect and dignity and can be in a working environment without any kind of negative treatment. We respect everyone regardless of gender, age, ethnicity, religion, health or sexual orientation. We talk nicely to and about each other. We keep a sober tone and avoid profanity. This is also described in the Staff Handbook that is handed out when you are hired as a new employee in the HJHansen Recycling Group.

We recognize that our company has historically been male-dominated and this is still reflected in our composition with 83% of all employees are men. This is a fact that we are aware of and are working on because we are convinced that the organization performs best if not all are equal. Diversity leads to more innovation, more nuanced decisions and better cohesion.

*HR Manager
Henriette Christensen*

Changes are ongoing, but we want to put more momentum in the process. Therefore, in our recruitment process, we have launched a number of initiatives:

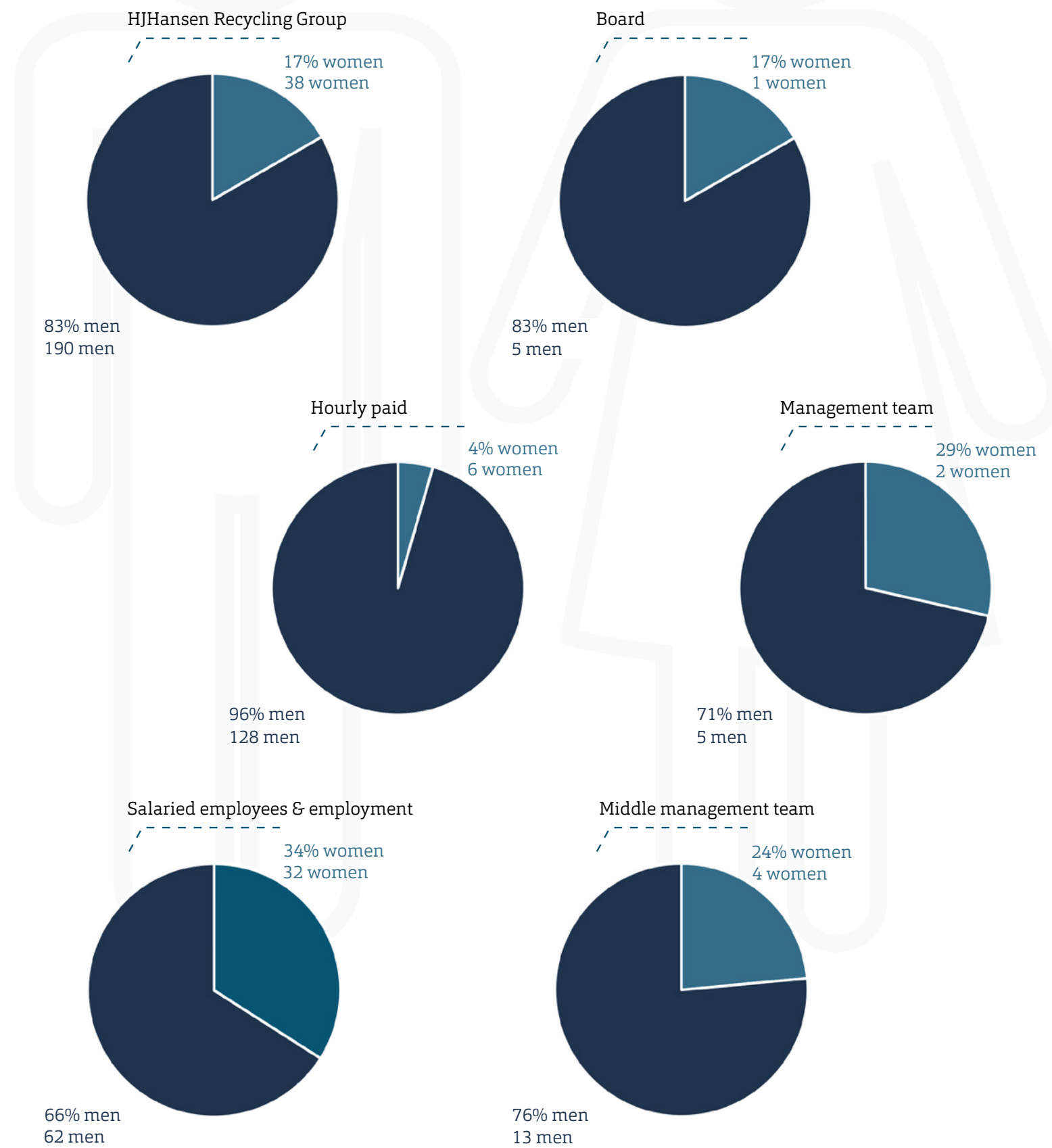
- ▶ We will work hard to write job advertisements that are inclusive, so that we do not exclude candidates because of linguistic choices.
- ▶ We take gender diversity into account and have set the ambition to have more genders represented at job interviews.

Several studies show that one of the main causes of inequality between men and women in the labor market is maternity leave, as it can create a bias in career advancement, different economic opportunities and workplace imbalances regarding absence. This is a point to which we pay close attention and which is why, during this financial year, we have reviewed our policies, and we are upgrading maternity conditions in the coming our maternity policy will at least be covered by a collective agreement for all employees that provides more equality between parents concerning time off and pay.

Furthermore, we have chosen that new employees can have their child's first day of sick leave paid. Previously, employees had to achieve 9 months of seniority before it was paid. We do not want to create a bias in the home during regarding children's sick days as a consequence of being newly employed.

With these initiatives we try to give our employees the best career opportunities and work life balance.

Gender distribution



Involvement

The HJHansen Recycling Group operates in 24 locations in Denmark and Sweden. To achieve close communication across the organization, we have various digital tools to keep each other informed. At the same time, we hold a quarterly information meeting where we invite a broad dialogue.

We believe that more minds think better than a few, and that each person has valuable insights from their working day.

Therefore, all departments are encouraged to hold progress meetings where ideas and information can be shared. Moreover, we have set up an idea bank where employees can make suggestions for improvements at the company.

We want to ensure a strong, independent and development-oriented layer of middle managers who drive HJHansen Recycling Group in the agreed strategic direction, and who can also drive a number of strategic development projects. We have therefore launched a management training program, which has only just begun this financial year, but which will continue in earnest in the coming financial year.

Diversity

At HJHansen Recycling Group we want diversity, equality and inclusion. That is why we have a number of strategies:

- ▶ When we hire, we aim broadly and keep our eyes open to a spectrum of candidates.
- ▶ We must fulfil our social mission by offering apprenticeships, flexi-jobs, senior schemes, etc.
- ▶ Our employees must be offered further training, learning or courses.
- ▶ We need to facilitate collaboration, dialogue and mobility across the organization so that everyone feels included and has a dialogue about development opportunities within the organization.
- ▶ Managers have a clear role in encouraging development.

Our values are contained in the Staff Handbook, which all new employees are introduced to.

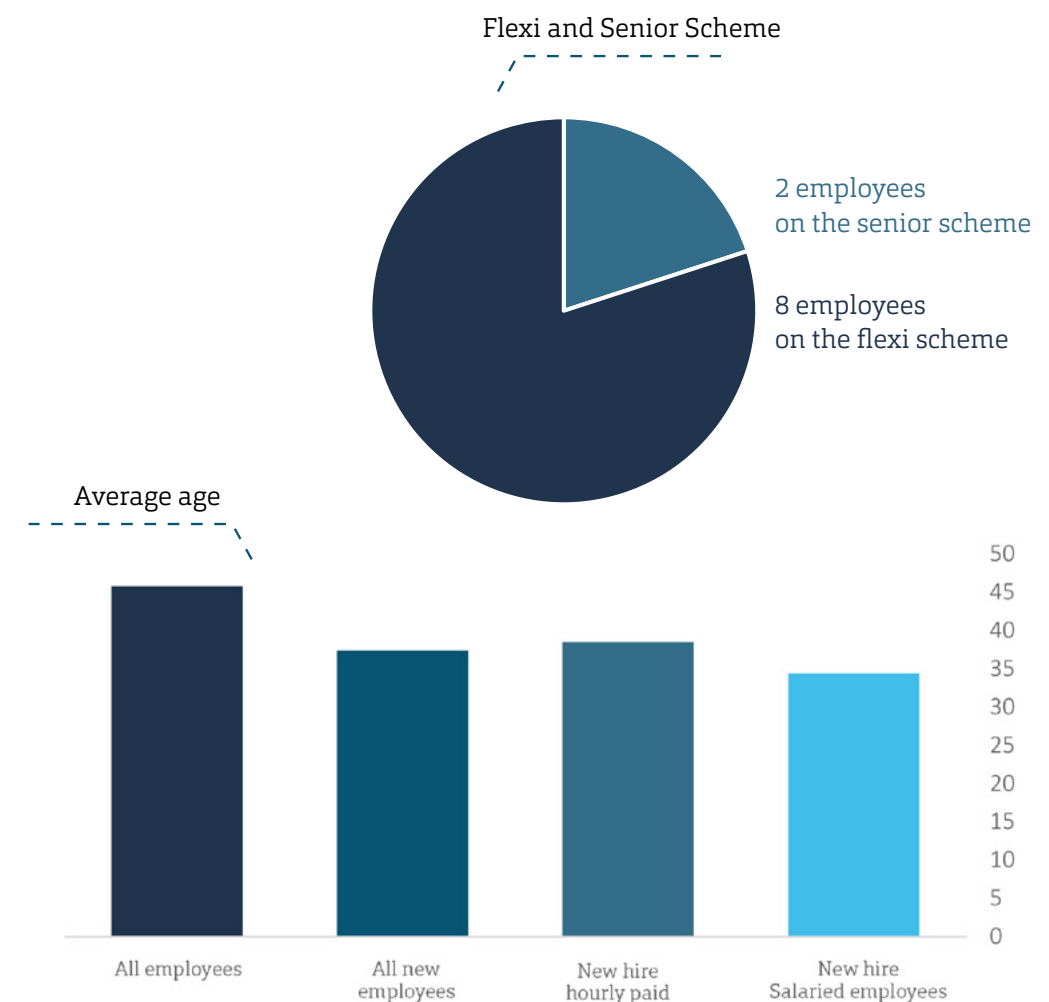
In addition, we have a number of ground rules that all employees at the HJHansen Recycling Group must follow.



*HR Manager
Henriette Christensen*

The 10 ground rules at HJHansen Recycling Group

- ▶ We have open, honest, constructive and respectful communication
- ▶ We believe in the best in each other and involve the necessary people to make the best decisions
- ▶ We seek advice and guidance from each other and use each other as sounding boards
- ▶ We support common decisions and are loyal to each other
- ▶ We keep agreement and deadlines and inform quickly if we can't
- ▶ We respect each other
- ▶ We think and focus on solutions, go for the ball - not the legs
- ▶ We give and receive constructive criticism and praise
- ▶ We have full confidence in each other
- ▶ We accept that mistakes are made and we learn from our experience



Anniversaries

At HJHansen Recycling Group, we are proud of our loyal staff, celebrating many anniversaries each year. This financial year we have celebrated:

45 years
Anniversary

1

30 years
Anniversary

3

20 years
Anniversary

4

15 years
Anniversary

9

10 years
Anniversary

9

About John Bentsen

- ▶ Started as a junior laborer 2 May 1977
- ▶ Born 1959, therefore, 63-years-old
- ▶ 44 years in the metal department
- ▶ Employee representative on the Board since 1982 (minus one period of 4 years)
- ▶ 25 years as a trade union representative for hourly paid workers
- ▶ 30 years as President of The Trade Union Club, which looks after the interests of site workers

I was just supposed to be here for a little while. Now 45 years have passed and I have no plans to stop any time soon. I feel good when I get up every morning, pack my lunch and drive down to the boys.

When I started, everything out here was real hard work with cutting torches, heavy lifting and long hours. But it was nice. It was not nearly as busy as today, where we are much more efficient.

When I came over to the metal yard 44 years ago, we had no easy way to determine what metal we had brought in. The really skilled employees could find out via a stethoscope, acid or by grinding in the material. Today we have handheld metal analyzers that can tell us right down to the element level. However, even today, it's not long before I have to draw on experience and old tricks if things go wrong.

*John Bentsen
Site worker in the metal department*

”



The story of Jeppe Sørensen

Jeppe
was hired on
12/1/2022

Post on [LinkedIn](#) and [Facebook](#) from
the City of Odense's Employment and Social Services Administration



After a turbulent youth and several community service sentence jobs, Jeppe now works full-time at the scrap metal giant HJHansen Recycling

"I've never been a morning person, but now I get up at 5 a.m. because I have something to get up for," says 21-year-old Jeppe Sørensen, who has been working at HJHansen Recycling at the Port of Odense for the past 6 months.

After a childhood with many school changes and a youth of convictions and serving time in prison, he changed direction a year ago.

"I had enough of everything. I didn't want the criminal life anymore and needed some stability," says Jeppe Sørensen, who, after a period on social security, got an internship and later a job with wage subsidies at the scrap company's operation and maintenance workshop.

"I'm very happy to be out here. Something new is happening all the time and that suits me very well. I have never been good at sitting still, and when I have not been so good with authority, but very outgoing, it often went wrong in the past," says the 21-year-old from Odense, who has now decided to get a foothold in both the labor market and HJHansen Recycling.

"I want to show them that they can't do without me when my wage subsidy ends," smiles Jeppe Sørensen, who also has a better life outside the workplace.

"There's an excellent team spirit out here and it's made me more outgoing. In the past, I wasn't very good at talking to other people - even in my spare time. Even my parents

have become proud of me and call me almost every day to see how I'm doing at work," says Jeppe, who hopes one day to get an education.

"But not for a while. It was hard enough for me when I took a forklift certificate in the spring," laughs Jeppe Sørensen.



We have the time and space to accommodate the quirkier personalities.

"We are always ready for some challenges. As a workplace, we are sized to accommodate most people, whatever they are struggling with. That is why we often say yes if someone comes in who wants to try out the job market," says 46-year-old workshop manager Jesper Møller from scrap metal giant HJHansen Recycling at the Port of Odense.

"I always ask the guys in the workshop if they're up for the job, and they usually are. Of course, it's nice to be able to take social responsibility. But I also believe we all think that trainees and people on wage subsidies contribute to making our common workplace better," says Jesper.

He trained as a shipbuilder at Lindø, where he worked for 17 years before working as a teacher for a few years and in 2015 ending up as the boss of the 18 employees at HJHansen's 24-hour operations and maintenance workshop.

"Although it can be annoying if someone keeps asking questions, it's also a lot of fun and maybe even developmental because we're forced to reflect on what we're doing," Jesper Møller smiles.

Most recently, they have helped a 21-year-old man with a criminal record off social security and through an internship into a temporary job as a metal worker and unskilled laborer with wage subsidies.

"It's amazing to see how a young man can change so much just because we give him some responsibility. I don't think I've ever seen so much work ethic in one person," says Jesper Møller.

Business ethics

At HJHansen Recycling Group we have partners all over the world. This places high demands on our procedures and guidelines.

Transparency is one of our strengths when dealing with our partners. We want to be seen as trustworthy and proper in the way we do business. We constantly work to optimize our external and internal strategies so we can improve where necessary.

To ensure a streamlined process, our Code of Conduct for Business Partners sets out the expectations we have of both ourselves and our business partners.

[Read the Code of Conduct here.](#)

CFO
Steffen Simpson Jonassen



Whistleblower scheme

In December 2022, we will establish a system where both internal and external stakeholders can safely report violations of law or internal guidelines, unethical practices or other critical aspects.

So far, it has only been possible to report to one's contact person at HJHansen Recycling Group, our CEO or our HR manager.

All reports will be treated as strictly confidential and there is the option to report anonymously.

The HJHansen Recycling Group is not yet subject to rules about having a whistleblower scheme, but we have chosen to introduce this already now, to secure a confidential space.

[Here is a link to our whistleblower scheme](#)

The whistleblower scheme can be used by anyone if you witness

- ▶ Financial crime (embezzlement, bribery, fraud, forgery)
- ▶ Provision of false or misleading information to public authorities
- ▶ Physical violence or sexual abuse
- ▶ Breach of work safety
- ▶ Violation of human rights
- ▶ Use of child labor
- ▶ Threats to the environment, health or safety
- ▶ or other critical conditions at HJHansen Recycling Group or one of our partners.

The financial year

We are proud to present accounts for 2021/2022 with a pre-tax profit of DKK 107 million.

It may seem a bit surreal when it's only 3 years since we made our turnaround from a challenging time to now occupying a position as one of Northern Europe's largest companies in the recycling of scrap iron and metal.

Fortunately, we got back on track at the end of 2019. This has been crucial to our ability to play a role in this year's very special market, where we have had a turnover of DKK 3.7 billion. This has placed great demands on our liquidity, as the high prices of iron and metal and the high USD exchange rate caused large fluctuations in our cash flow. But we have good liquidity and, with a healthy solvency ratio of 35.3%, there has been no doubt about our ability to do the job.

We have had an increase in turnover from 2020/2021 of DKK 1.3 billion. The increase is partly due to increased activity in all business areas, but also to historically high prices.

As we operate in a market where prices are driven by supply and demand, our profit margin of 3.5-4% is stable and at a reasonable level.

We do not expect the skyrocketing prices for iron and metal in the past year to continue in the future. Therefore, this financial year is not a basis for a comparison of the coming years' accounts. That is

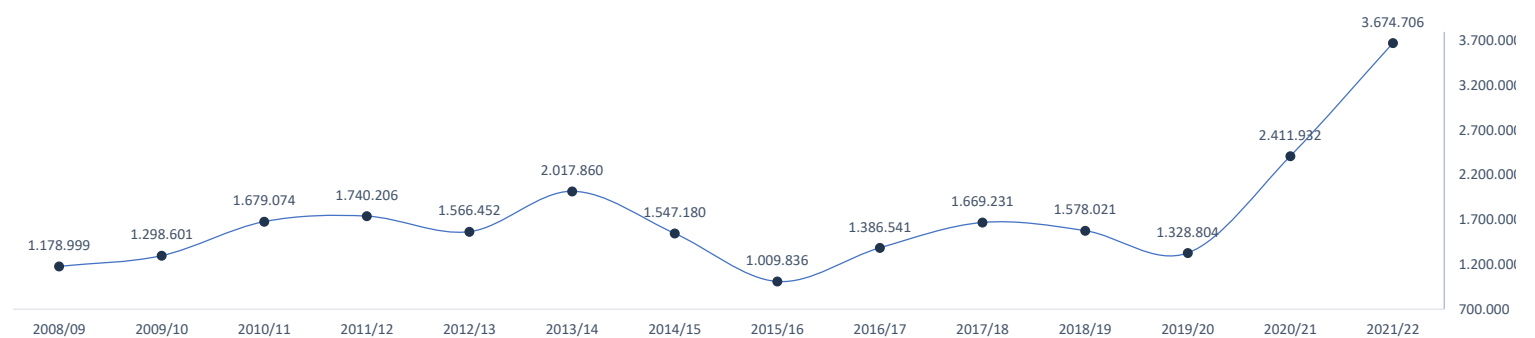
why the budget we have set for the next financial year, 2022-2023, shows a profit of DKK 55 million before tax, which we can already see we have to work hard to achieve.

It is excellent that, despite the big fluctuations and global uncertainty, we have come through the year well.

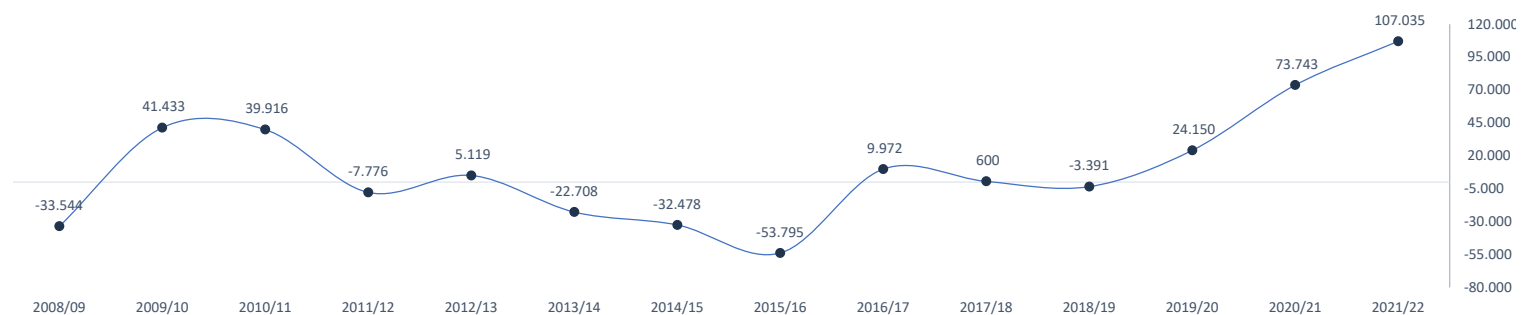


CFO
Steffen Simpson Jonassen

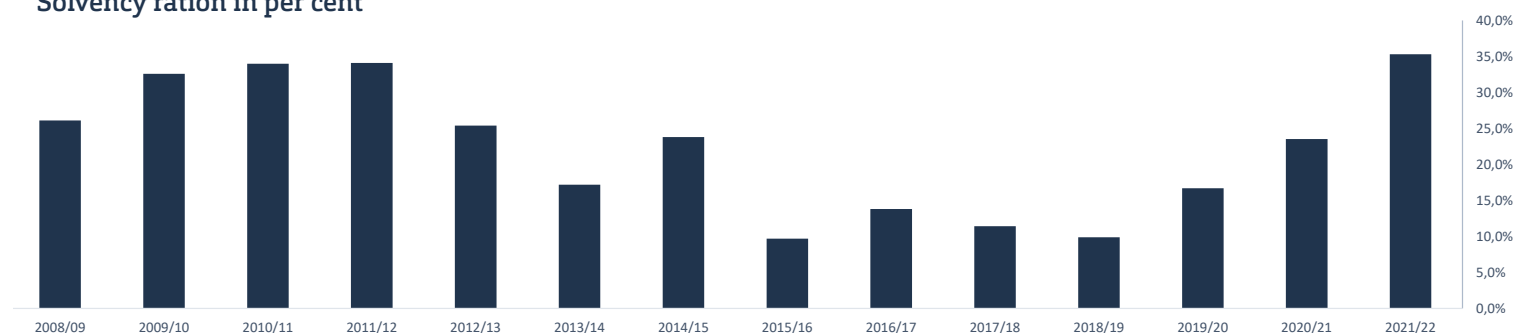
Turnover in DKK 1,000



EBT in DKK 1,000



Solvency ratio in per cent



See more figures on pages [68-71](#)



HJHansen Wind Decom

We want to establish efficient and responsible treatment and recycling of decommissioned wind turbines

Wind turbines are a big topic in this climate and energy crisis. Denmark was one of the first countries to focus on wind turbines, and now after 40 years, some of the first wind turbines have paid their dues and are to be dismantled.

That is why we created HJHansen Wind Decom last year - an all-in-one solution for dismantling and recycling wind turbines and recycling all their resources.

Here we gather all the experience and knowledge we have accumulated regarding recycling and decomposition since 1888.

We sort the wind turbine's resources on-site to get as many parts as possible into the circular economy. Therefore, we are constantly working on optimizing and developing our methods on the individual components. For example, magnets have historically been difficult to handle, but we have found solutions where they can be recycled and become new magnets.

Through our already-established direct sales channels in HJHansen Recycling, we also ensure that our customers get the best terms and prices.

Essential is our demolition department, which has many years of experience in dismantling wind turbines.

Nothing is too big. Nothing is too small. We handle everything from small household wind turbines to the biggest wind turbines in DTU's test center in Østerild.



Testimonial from wind turbine project

On behalf of GE Offshore Wind Service team, we would like to congratulate HJHansen's staff for the excellent support provided during the decommissioning works of "Le Carnet Hal-1 6MW nacelle".

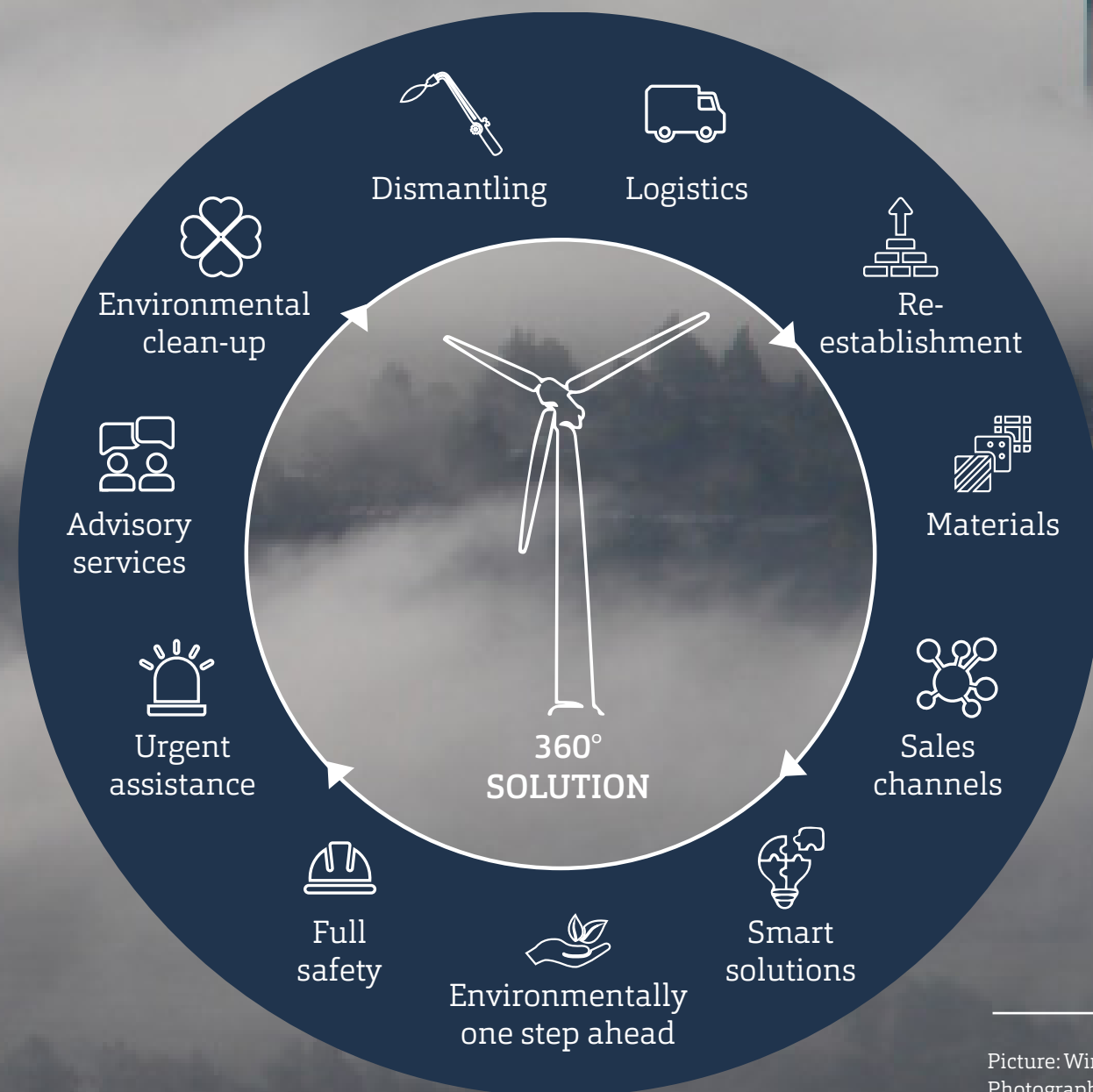
Since day 1, your team proved great professionalism and carried out the scrapping operations as it was originally planned. GE wants to thank Hansen for the execution of the work without any significant deviation on timing, procedure, or cost and managing successfully the big challenges faced during the event.

From GE we want to pass our special thanks to the team who worked physically on Le Carnet.

Looking forward to having new opportunities to work together in the future.

Senior Service Manager, GE Renewable Energy, Arnaud Daudignon

Senior Sourcing Leader, GE Renewable Energy, Jonathan Martinez



Picture: Wind turbines on Fyn.
Photographer: Sophus Borch



*Business Development Manager
Sophus Borch*



Test Center Østerild

We were asked to help take down a wind turbine at Testcenter Østerild in North Jutland. It was a large, offshore wind turbine with a tower of approx. 80 meters. It stood on top of a 20-meter-high concrete foundation, from which it was jumped.

We cut the tower and nacelle into smaller parts. The concrete was broken down and the iron was sorted out. We sent all materials for recycling. We divided the blades into appropriate container sizes and sent them for recycling, where today they form the filling material in noise walls.

The hole left by the blasted foundation was filled up and the area re-established. The test site was ready for a new wind turbine after two to three months of work.

*Manager of HJHansen Demolition
Kevin Frost-Larsen*



DecomBlades

HJHansen Recycling Group is a part of DecomBlades, a cross-sector-project in the wind industry, that aims to create functional and sustainable value chains for handling end-of-life wind turbine blades on a national and international level. It's everything from manufacturing to processing and recycling.

The wind industry is committed to finding ways to handle end-of-life wind turbine blades regarding the environment, health, safety, energy consumption,

and economy. That is why we in 2020 partnered with Vestas, Siemens Gamesa, LM Wind Power, Ørsted, FLSmidth, Makeen Energy, the University of Southern Denmark, the Technical University of Denmark, and Energy Cluster Denmark in this three-year project.

HJHansen Recycling Group accounts for two of the eight work packages - "mechanical grinding" as well as "pre-processing and logistics"

[Read more about DecomBlades here.](#)

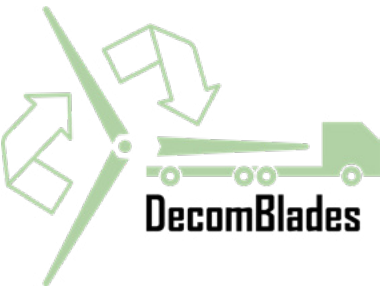


Photo: Cutting wind turbine blades for recycling



Events during the year

Climate partnership in Odense via H.J. Hansen Group



*The climate challenge is global, but many of the solutions must be found locally.
If we are to succeed in minimizing the major impacts, we must all pull together.*



H. J. Hansen Group has this year helped to found the Odense Climate Partnership together with 3c Groups A/S, Universal Robots A/S, Energi Fyn, the University of Southern Denmark, Jysk Fynske Medier, Fjernvarme Fyn, Odense Renovation A/S, the Port of Odense and the City of Odense.

The Odense Climate Partnership will, among other things

- ▶ Ensure that the many changes in the city are based on the best and latest knowledge available globally.
- ▶ Support a constructive and critical democratic debate on challenges, solutions and changes.
- ▶ Accelerate, disseminate and support the green transition and the production of green products.
- ▶ Making our knowledge available to others for the benefit of the mutual global mission.

We look forward to many exciting tasks in the coming period in connection with the Odense Climate Partnership.

[Read more about the Odense Climate Partnership \(Danish\).](#)

*Owner of H.J. Hansen Koncernen
Jens Hempel-Hansen*



The Odense Climate Partnership was signed at FORUM during this year's Tinderbox



H. J. Hansen Koncernen

 **UNIVERSAL ROBOTS**

 **GROUPS**

 **JYSK FYNske medier**

 **ODENSE HAVN
ODENSE PORT**

Energifyn

 **FJERNVARME FYN**

 **ODENSE
KOMMUNE**

 **Odense
Renovation A/S**
www.odenserenovation.dk

SDU 



Photo: Visitors to our stand at LOOP

LOOP Forum

How do we at HJHansen Recycling Group help turn waste into resources? We showcased this at this year's LOOP Forum, which focused on waste, resources and circular economy across both value chains and industries. Together with both large competitors and start-ups, we gathered for two days in Copenhagen to discuss and show how we can accomplish the last link of the value chain to become one of the most important in the chain.

We look forward to next year's LOOP Forum on 26-27 April in the Locomotive Workshop.



The People's Climate Meeting

8,500 tons of electronics are hiding in Danes' drawers and basements. 8,500 tons that could either be reused or recycled.

At this year's People's Climate Meeting in Middelfart, we tried to find out how we turn good intentions to do good and benefit the climate into real action. Because, of course, resources shouldn't just lie around. We must reuse and recycle electronics.

Fortunately, many of the citizens present had already bought recycled electronics or resold their own appliances. But as someone said, commenting on the fact that her washing machine had broken down: "I'm too rich. Simply. I need my time more than my money. So, when things get tricky, I often take the easy way out." And many of us can probably identify with that. It may be easier to buy a new washing machine than repair the old one. Convenience and awareness were the two main points raised. Professor from SDU Life Cycle Engineering, Henrik Wenzel's research has

repeatedly stressed that we need to address these issues if we are to succeed in recycling more. And according to John Thøgersen, professor at the Department of Management at Aarhus BSS, the willingness to recycle is actually really high. He also pointed out that to give consumers confidence in buying recycled electronics, a deal should be done through a professional operator who guarantees the quality of the product.

CEO of Elretur, Morten Harboe-Jepsen, pointed out that our need for (new) electronics is higher than the amount of electronics sent for recycling. That is why every year many tons of metals and minerals are dug out of the ground to satisfy our consumption.

So, we all need to think about how we consume. Consider whether we need the new device. Replace the old one only when necessary. Sell on for reuse if it still works. Send it for recycling instead of putting it in the basement.



Photo of a debate at the People's Climate Meeting. From left: John Thøgersen, professor fra Aarhus BSS; Stener Glamann, moderator; Henrik Wenzel, professor fra SDU; Morten Harboe-Jepsen, direktør Elretur; Morten B. Andersen, Sustainability Manager HJHansen Recycling Group.

Day of the Fjord

More than 500 guests stopped by when we held an open house on Sunday 11 September. Day of the Fjord. Visitors could see what happens to an old automobile, bicycle, refrigerator or tap they send for recycling. It's one of the ways we are trying to educate others about why it is so important that we all make sure to recycle our resources.

There were two big draws in particular:

- ▶ Henrik Brorson, who showed off his large truck with a crane, which he uses to lift scrap cars and empty containers from recycling centers, among other things.
- ▶ In addition, Henrik Madsen, who took children and childlike souls up in his 120-ton crane. He entertained by picking up small objects like lawnmower wheels and hand saws from the scrap heaps with the crane's big grab.



Photo: Henrik Brorson's truck at Day of the Fjord



Photo: Guided tour on the Day of the Fjord

Key financial figures

October 1, 2021 - September 30, 2022

Key figures

	2021-2022 DKK 1,000	2020-2021 DKK 1,000	2019-2020 DKK 1,000	2018-2019 DKK 1,000	2017-2018 DKK 1,000
Result					
Net revenue	3,674,706	2,411,932	1,328,804	1,578,021	1,669,231
Profit on ordinary primary operation	118,527	78,990	14,821	1,312	4,238
Profit or loss before financial entries	121,425	85,135	34,540	5,430	7,914
Profit on financial entries	-14,390	-11,392	-10,390	-8,821	-7,314
Profit/loss before tax	107,035	73,743	24,150	-3,391	600
Result for the year	97,870	60,080	18,882	-2,580	669
Balance					
Balance sum	570,893	486,108	328,409	365,009	338,481
Equity	201,258	114,342	54,855	36,082	38,673
Equity and subordinated loan capital	301,258	214,342	129,855	111,082	38,673
Cash flows					
- of which net investment in tangible fixed assets incl. financial leasing	24,911	26,850	16,080	13,022	30,023
Key figures in %					
Gross margin	5,2%	5,7%	4,5%	3,6%	3,5%
Profit margin	3,3%	3,5%	2,6%	0,3%	0,5%
Rate of capital	21,3%	17,5%	10,5%	1,5%	2,3%
Solvency ratio	35,3%	23,5%	16,7%	9,9%	11,4%
Return on equity	62,0%	71,0%	41,5%	-6,9%	1,7%
Debt-to-Equity ratio	-0,05	0,53	0,92	5,67	3,37

The key figures have been prepared in accordance with CFA Society Denmark's recommendations and guidelines.

If subordinated loan capital had been subscribed as equity, the equity ratio would have been 52.8% in 2021/22.

As the Group has acquired shares in Skrotspecialisten A/S as of May 10, 2021, comparative figures are not fully comparable

Profit and loss account

October 1, 2021 - September 30, 2022

HJHansen Recycling Group

HJHansen Recycling A/S

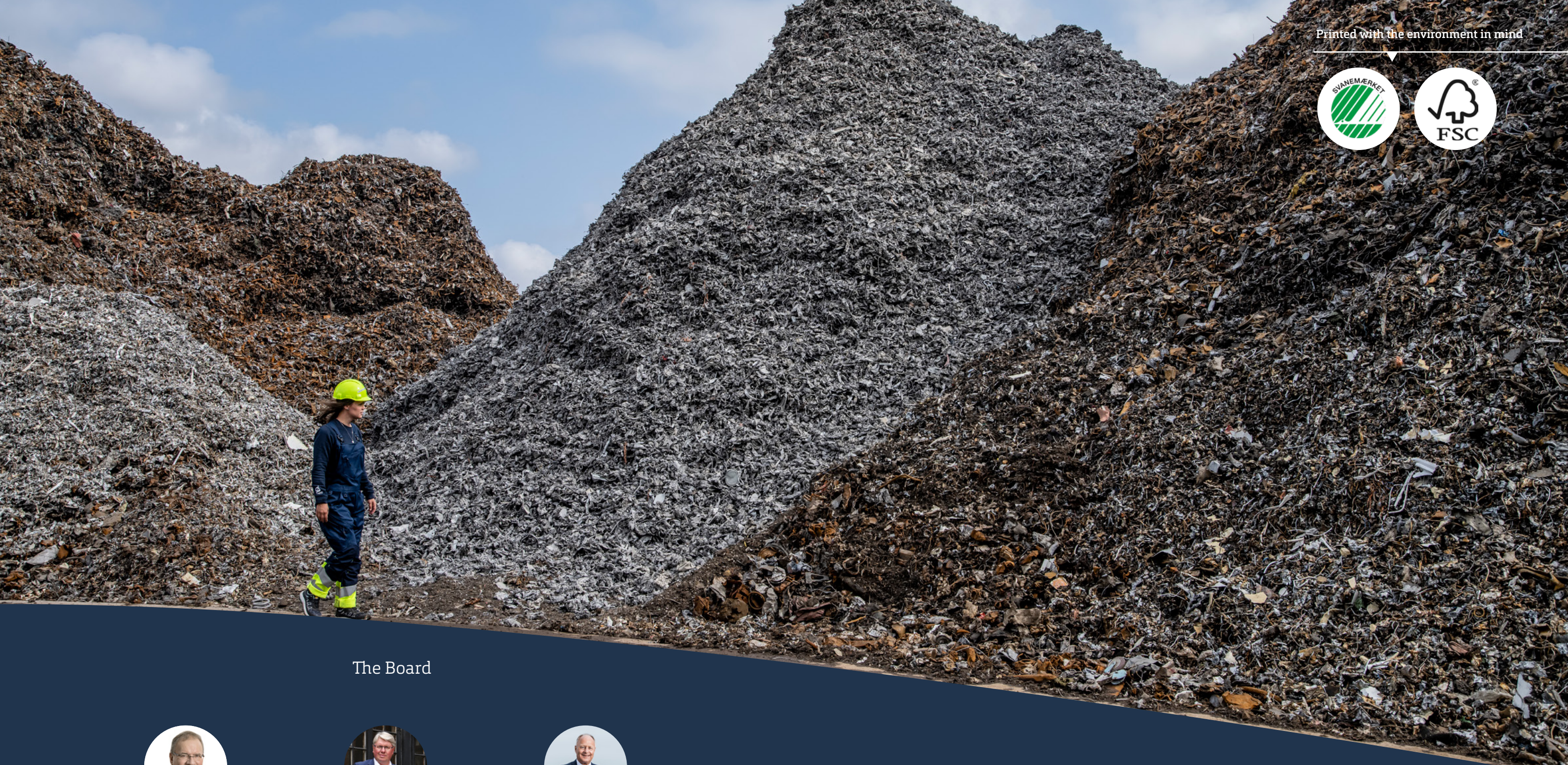
2021-2022 DKK 1,000	2020-2021 DKK 1,000		2021-2022 DKK 1,000	2020-2021 DKK 1,000
3,674,706	2,411,932	Net revenue	3,674.133	2,412,565
-3,483,143	-2,275,475	Production costs	-3,499.605	-2,276,708
191,563	136,457	Gross profit	174,528	135,857
-40,800	-30,650	Distribution costs	-40;417	-32,642
-32,236	-26,817	Administrative costs	-33,719	-27,580
118,527	78,990	Profit on ordinary primary operation	100,392	75,635
2,898	6,145	Other operational income	2,156	-2,044
121,425	85,135	Profit or loss before financial entries	102,548	73,591
0	0	Revenue from equity holdings in subsidiary companies	29,021	11,393
601	699	Other financial income	640	914
-14,991	-12,091	Other financial costs	-14,820	-12,086
107,035	73,743	Profit/loss before tax	117,389	73,812
-9,165	-13,663	Tax on profit for the year	-19,519	-13,732
97,870	60,080	Result for the year	97,870	60,080

Assets
September 30, 2022

HJHansen Recycling Group			HJHansen Recycling A/S	
2021-2022 DKK 1,000	2020-2021 DKK 1,000		2021-2022 DKK 1,000	2020-2021 DKK 1,000
2,008	2,577	Acquired intangible assets	2,008	2,577
39	98	Goodwill	39	98
2,047	2,675	Intangible fixed assets	2,047	2,675
48,936	43,849	Land and buildings	30,035	23,503
58,683	49,294	Production plant and machinery	53,933	47,886
10,931	11,818	Other equipment, vehicles and inventory	4,955	4,252
4,047	7,185	Fittings in leased premises	2,465	5,268
6,762	8,074	Tangible fixed assets under construction	6,762	8,074
129,359	120,220	Tangible fixed assets	98,150	88,983
0	0	Equity holdings in subsidiary companies	59,663	33,706
44	44	Equity holdings in associated companies	0	0
0	100	Deposit	0	0
44	144	Financial fixed assets	59,663	33,706
131,450	123,039	Fixed assets	159,860	125,364
153,372	140,544	Inventories	153,372	140,544
119,460	132,677	Trade receivables	119,396	132,444
103,333	57,570	Receivables from affiliated companies	111,314	66,429
924	865	Ongoing work for third parties	924	865
11,784	12,197	Other receivables	11,051	10,782
19,697	7,705	Deferred tax asset	9,648	7,691
5,157	3,575	Accrual items	4,507	3,420
260,355	214,589	Receivables	256,840	221,631
25,716	7,936	Cash at bank and in hand	20,611	1,044
439,443	363,069	Current assets	430,823	363,219
570,893	486,108	Assets	590,683	488,583

Liabilities
September 30, 2022

HJHansen Recycling Group			HJHansen Recycling A/S	
2021-2022 DKK 1,000	2020-2021 DKK 1,000		2021-2022 DKK 1,000	2020-2021 DKK 1,000
8,000	8,000	Company capital	8,000	8,000
-1,307	-815	Reserve for exchange rate adjustment	-1,307	-815
154,565	97,157	Retained profit	154,565	97,157
40,000	10,000	Dividends for the financial year	40,000	10,000
201,258	114,342	Equity	201,258	114,342
1,700	4,006	Other liability provisions	0	0
1,700	4,006	Accrued liability	0	0
100,000	100,000	Subordinated loan capital	100,000	100,000
1,174	1,432	Mortgage credit institutions	1,174	1,432
12,424	16,852	Leasing obligations	9,450	11,413
113,598	118,284	Long-term debt obligations	110,624	112,845
4,373	4,871	Current portion of leasing obligation	1,961	2,752
258	271	Short-term part of mortgage credit institutions	258	271
1,055	2,352	Other credit institutions	1,055	2,353
569	4,001	Ongoing work for third parties	569	4,001
152,671	151,773	Suppliers of goods and services	152,208	150,872
0	0	Debts to group undertakings	33,115	24,416
17,792	7,294	Corporation tax	17,381	7,294
58,466	67,244	Other debt	53,774	58,544
19,153	11,670	Accrual items	18,480	10,893
254,337	249,476	Short-term debt obligations	278,801	261,396
367,935	367,760	Debt obligations	389,425	374,241
570,893	486,108	Liabilities	590,683	488,583



The Board



Christian Pagaard Junker
Chairman



Jens Hempel-Hansen
Vice Chairman



Torben Østergaard-Nielsen
Board member

The Executive Board



John Bentsen
Employee representative



Jeanne Jørgensen
Employee representative



Mogens Bach Christensen
CEO



Mogens Bach Christensen
CEO



Steffen Simpson Jonassen
CFO



HJHANSEN
Recycling Group



Demolition



Recycling



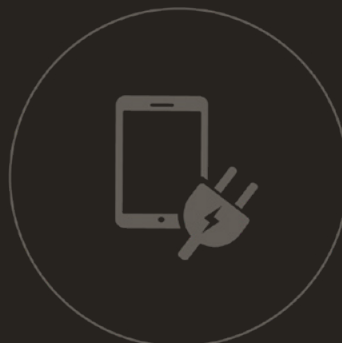
Raw Materials



Car Dismantling



Wind Decom



Electronic Reuse & Recycling



The Scrap Specialist

We give resources new life