



ANCOTRANS

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ESG POLICY



ENVIRONMENTAL
SOCIAL
GOVERNANCE

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1. Introduction by Group CEO

As a leading company in container transport, we believe sustainability is not just a responsibility — it is a necessity for the future of our industry.

At Ancotrans, we work continuously to run our business in a more responsible and sustainable way. This includes not only complying with applicable regulations, but also actively contributing to the transition toward a more sustainable transport sector and society.

Our sustainability efforts are guided by the UN Sustainable Development Goals and the ambitions set out in the Paris Agreement. Based on these frameworks, we have identified the areas where we can make the greatest impact. While these priorities guide our work, sustainability remains a broad commitment that influences decisions across our entire organisation.

These ambitions are embedded in our strategy, mission and values, shaping how we operate and how we develop our business.



With these goals in mind, we work every day to reduce emissions, optimise resource use and improve sustainability across our entire value chain.

At the same time, the health, safety and wellbeing of our employees remain a top priority. We believe that work should never compromise physical or mental health. This commitment also extends to our suppliers and partners, where we strive to build long-term relationships that promote transparency, responsibility and shared progress.

For our sustainability ambitions to have real impact, they must be embedded throughout the organisation. Our policies and targets are therefore anchored in both the Board of Directors and company management, ensuring that sustainability is integrated into the way we operate and make decisions.

In the following sections, we outline our key sustainability priorities and the actions we are taking to achieve them.

Best regards

Peter Groth

Group CEO of ANCOTRANS

2. Use of ESG Policy

2.1 Compliance with Law

ANCOTRANS will comply with and uphold all relevant laws in all jurisdictions in which we operate. ANCOTRANS expects its employees to comply with the highest applicable standards of compliance, whether that be this policy or local legal requirements.

2.2 Scope of Policy

This policy applies to the entire ANCOTRANS and, to the extent possible by law, all associated persons. Compliance with this policy is mandatory to all levels, functions, and areas of the entire ANCOTRANS.

This ESG Policy does not cover every situation in which conformity to ESG principles should be observed. ANCOTRANS personnel and all affiliated parties are always expected to behave ethically and in accordance with applicable law.

2.3 Policy Maintenance

This policy will be stored centrally so that it can be accessed by all ANCOTRANS employees. It will be maintained by the ANCOTRANS Group CEO. Country Managers are responsible for informing about this ESG Policy to the employees of his or her country, where applicable, and supervising adherence to this policy and applicable law.

3. Environmental

Our business industry is by its very nature very dependent on fossil fuels, which generally have a high emission of greenhouse gases and at the same time contribute to particle pollution, in addition it also draws on non-renewable resources.

Fortunately, we are amid a technological development, which in the long term provides opportunities for more solutions that enables emission-reduction. We are not yet at the point, where all transports can be carried out using renewable and emission-reducing forms of energy. We do however expect some way to go still, before our industry and value chain, from the purchase of trucks to different forms of fuel, are able to become truly emission-free. But development is going fast, and it is our hope that new usable environmentally friendly solutions will be available within a foreseeable future - and that these solutions will be so mature and efficient that it is economically viable to utilize them.

It is our believe that we can further develop partnerships with our customers and suppliers, so that our product offerings and services increase in value, sustainable and profitability for all parties involved.

Our goals:

- **Short term (ongoing) goals:** Continuously implement new initiatives to reduce our carbon footprint from our operation scope 1 and 3 towards our medium- and long-term goals.
- **Medium term (5 years) goals:** 25 % reduction in carbon footprint per driven kilometer.
- **Long term (2050) goals:** Become 100% CO₂e neutral.

Working for a better climate - one container transport at a time

Since most of our emissions and pollution originate from the combustion engines in vehicles, then this is where our focus and our efforts lie. We measure our carbon footprint according to the GHG protocol using recognized sources for data, factors etc.

To achieve our goals, we have defined these principal focus areas:

- **Improved planning:** We reload and reuse containers, whenever possible to reduce the number of empty kilometres.
- To a greater extent, utilize the benefits using link-, breaker- and module chassis, which increase the payload and number of containers on each truck minimizing the driven distance.
- **Going green by going electric:** Electric trucks are an increasingly growing part of our fleet, resulting in a reduction of 65% of GHG emission on average (compared to conventional diesel trucks).
- By changing from using fossil LNG (natural gas) in our gas-trucks to renewable LBG (liquid biogas) we obtain a saving in GHG emissions of app. 97%.
- **Increase the usage of HVO 100 fuel:** Increase the HVO 100 offering to customers as GHG emission is reduced by approximate 80% (compared to conventional diesel B7).
- **Intermodal efficiency:** Our solution, ANCOmodal, reduces carbon emissions in addition to competitive pricing and reliability.
- **Planting forests for a better future:** Amongst our service offerings, customers can offset emissions by planting trees

In supplement, we continuously focus on ECO-driver training programmes, using electric trucks, sideloaders and gensets, as well as projects on energy-adding axels and a smart-tire-pressure-management systems is planned. These are focus areas that we continuously integrate into our operations and procurement. To have the most impact, then attention is given from all levels in the organization. This is created through regular follow-up on the individual initiative by our reporting teams in close cooperation with our fleet department and/or operation, and the results are used to evaluate and create awareness to motivate incentives for recurrent innovation.

We will continue to offer our customers the possibility to offset the carbon footprint from their transports by planting forests, where we already have ongoing projects in Uganda and Vietnam. Furthermore, we have a forest project from 2022 project in Denmark with 7.500 trees, and in 2025 additional 500 trees in Norway.



4. Social

Europe, and particularly the northern regions, benefits from having very well-organized working agreements and conditions implemented. These are regulated both in labor market laws and in EU regulations - specifically to our industry, the EU road package.

This does not mean that we should not be aware and set targets. Our position is that all basic rights are a matter for everyone, and that everyone should have a good experience, when working - both physically and mentally. We firmly believe that this is the best way to get the most engaged and dedicated employees. Our overall goals are continuous development of all employees and leaders and use the value of their experience to further develop the good culture and give our customers the best experience.

As a member of trade organizations and employer organization in the countries in which we are represented, then we are obliged to comply with the agreements, which the labour market the parties have agreed to, including agreements on wages, working hours and more.

We have assessed the following topics and subtopics within the social area as essentials:

Own workforce:

- Health and safety.
- Gender equality and equal wages.
- Education and skill-development.
- Secure employment with work and personal life balance.

Workers in value chain:

- Open working conditions dialogue.
- Legal salary and proper conditions.
- Work and personal life balance.

Our short and medium term (0-5 years) goals:

- Reach minimum 50 in eNPS (measured work satisfaction).
- Maintain minimum 10 % female drivers (achieved in 2025)
- Support initiatives that strengthen healthy lifestyles and mental well-being.
- Ensure ongoing education and training for everyone.
- Foster open communication with monthly updates and regular 1-on-1s.
- Appoint green ambassadors in each country to lead social and wellbeing activities.

Our values work as our guidelines for good and healthy business conduct in all our operations:



They apply to all employees whether they are working as drivers or in offices, but also to our daily interaction and communication with business partners and suppliers.

To achieve our goals, we have defined these principal focus areas:

- Improve communication and information throughout the entire organization.
- Targeted efforts to hire even more female drivers.
- Offering education and mandatory training.
- Information about health and safety related topics
- Facilitate social as well as professionally relevant events initiated by our green ambassadors.

Initiatives are adopted into our way of working and are continually subject for ongoing development. Events are often arranged across departments and offices to develop cooperation between them.

It is important to us to support the good life on the road by providing accessibility to adequate driver facilities – either through partnerships or otherwise. This is an ongoing effort in our fleet operation. In recent years, we have continuously pursued different solutions to upgrade facilities for both drivers and subcontractors. This includes bathrooms, kitchens, Wi-Fi, laundry services, etc.

To increase the number of female drivers, we continuously work on initiatives to attract more female drivers, including promoting female workwear and facilities, flexible working hours and a balanced usage of male and female drivers in pictures and videos in our campaigns and job ads.

A very useful tool to work with these topics and initiatives are our HR platform that creates opportunities for joint communication and sharing of knowledge. In addition, it allows access to common company documents, such as employee handbooks, manuals and more.

Employee satisfaction surveys are conducted twice a year to measure various engagement scores to evaluate leadership, the physical and mental work environment, and to determine if we are moving in the right direction. This is supplemented bi-yearly with mandatory workplace assessment scores to ensure satisfactory safe working conditions. Subsequently action plans are formulated and executed on.

We expect and demand that our suppliers and subcontractors comply with all national laws and regulations and in general offering their employees proper working conditions, including those related to minimum wage and social security, and other transport-specific legislation on areas such as cabotage, driving and rest time, etc. This is a subject we frequently would follow up on by audits and dialogs with the employees.



4.1 Health and safety

Our drivers may have to work with equipment and in situations that can be dangerous if you are not properly trained and instructed. Here too, in Northern Europe we have certain laws and

announcements that regulate and set the framework for this kind of work. This means that we are obliged to ensure that our drivers have the right knowledge of these rules and procedures. In our manual and our training program, the emphasis is on getting into these areas.

We are convinced that good working conditions, inclusive balance between work- and personal life have a positive effect on the number of sick leave days and in general improve the mental wellbeing.

Our short and medium term (0-3 years) goals:

- Avoid work related injuries.
- More frequent meetings in work environment organisation.
- Better communication of “best practice”.
- 30 % decrease of sick leave days.

To achieve our goals, we have defined these principal focus areas:

- Extended training in operation of special equipment.
- Proper described routines that prevent physical work injuries.
- Education in use of safety and protective equipment.
- Knowledge sharing and best practice.
- Analysis of incidents to prevent similar ones.
- Quarterly meeting in collaboration committee and working environment organisation.
- Improve working time planning.

We have good and proper working conditions, complying with regulations and industry standards, and we also focus on ensuring that the same applies to our suppliers. Whenever cases or discrepancies arise, then action is taken to mitigate.



5. Governance

ANCOTRANS has provided transport services for more than 140 years and we want to be continuing in doing so. It also means that we are committed to running our business in a proper and respectful way.

This necessitates an ongoing adaptation to the society and market norms, and following the rules and legislation that exist, including a consideration for people and environment.

Therefore, we continuously evaluate the risks and opportunities that are associated and connected to our business. This applies to both present and future projects that might impact the company, the

employees, the community and all other stakeholders. Minimum yearly, our value chain and risk exposure are reassessed, to focus our attention and to have the right basis for making decisions.

We want to attract the best employees for the right positions, provide the best services to our customers and have good cooperation with our suppliers, and therefore we make a virtue of acting honestly, transparent and trustworthy by offering proper conditions.

We believe that diversity among employees, including gender, contributes positively to the working environment and strengthens our performance and competitiveness. Especially knowing that we operate in an industry predominantly dominated by males. We always strive for a management team that embraces as much diversity as possible. We aim to increase the representation of female leaders and achieve a ratio of female managers equal to the general ratio of female employees across ANCOTRANS across all managerial levels.

Integrated in our HR platform is also a whistle-blower opportunity, where everybody can report concerns and breach of business ethics or rules anonymously.

Our short and medium term (0-5 years) goals:

- All employees follow our code of conduct and values.
- All employees *live* our values.
- Flat structure and open communication between all levels.
- >35 % representation of females in among leaders and management.
- Our supplier code of conduct is known and accepted by >90 %* of our strategic suppliers and partners.
- Increase due diligence regarding employee conditions in the value chain.
- Fair and written agreements with >90 % of our suppliers*.
- All payments should be conducted on time as agreed to and not exceed due dates.
- Equal gender representation in board of directors and in top management.

(*100 % should be the target, but due to its dynamic nature and one-time suppliers to ad-hoc tasks, it is not achievable)

On a longer timeframe, then we are aiming for a more nationality diversity in the top management to bring international awareness even closer and more visible.

To achieve our goals, we have defined these principal focus areas:

- When on-boarding new employees, an introduction to our COC and values is mandatory.
- All employees will yearly become a mandatory re-cap about COC and values through ANCOTRANS Learning Universe.
- Top management are visible and pro-active in their communication to all levels.
- Targeted efforts to recruit more female managers (internally as well as externally).
- Suitable agreements and COC compliance with suppliers.
- Yearly audit of top 5 suppliers and minimum 5 random (complying with COC and terms in agreements).
- Follow-up on payments and near-due invoices.

It requires a constant awareness, reliable systems for tracking development and inclusion in all functions in the organization - from top management to dispatchers and drivers. The goals must become a natural and integrated part of our daily routines and workflows. Also, leaders at all levels must comply and act as role models. All employees should be comfortable with the standards and find it harmless to speak out and draw attention to violations or misconducts.

Further, we are looking towards recognized sustainability standard, e.g. SBTi, and the value an environmental management certification, e.g. ISO 14001, to hold ourselves accountable on the communicated goals within sustainability and reducing our environmental footprint.

ANCOTRANS in Nederland already holds an ISO 9001 certification relating to Good Distribution Practice (GDP). The developed quality management system is duplicated, which allows us to offer similar services in all our markets.

6. Reporting

Any ANCOTRANS employee who becomes aware of any action or practice that violates or could violate this ESG Policy or the law of any applicable country, must immediately report to management. Reports should be made by first notifying the country manager, who will, in turn, notify the Group CEO. The incident will be investigated by management, and, if necessary, corrective measures will be implemented. No whistle blower, who raises a concern in good faith will suffer disciplinary action, and ANCOTRANS will not tolerate retaliation against that person.

7. Declaration of Understanding

By reading this ESG Policy employees in ANCOTRANS confirm that they understand the procedures discussed in this ESG Policy and that they will address any questions that arise to their country manager, or the Group CEO.