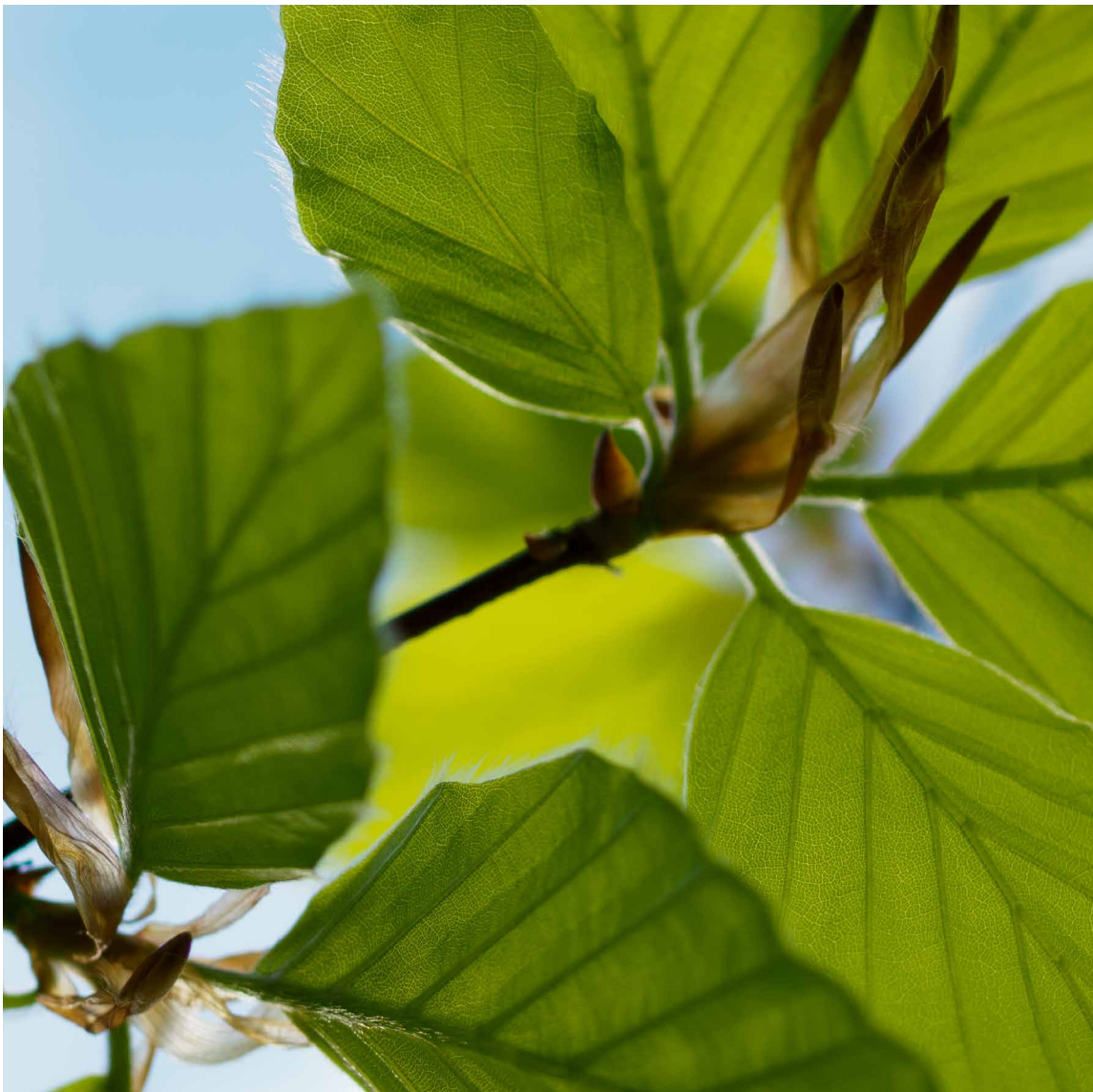




Responsible Business Conduct Sustainability Report 2022

(Åpenhetsloven)



To the Readers of this Report

ColliCare Logistics vision is to improve our customers competitiveness through innovative and integrated logistics services of high quality and flexibility. With a high degree of commitment and creativity we experience strong growth. However, our commitment goes beyond the responsibility for bringing your goods from a – b. Our commitment also means our goal to do our business with respect for the environment and the community around us. Responsible business conduct is for us an obvious choice. Our development will therefore be with regard to ethical, environmental and social issues all through our value chain.

As a global actor, strong integrity and respect for all cultures and individuals are the core of our existence as a professional business. As many of you have experienced, it can be easier said than done, and sometimes things happens which is beyond our control. That is why it is of great importance to monitor and evaluate all our actions in a structured and strategical way. In line with the Norwegian Transparency Act we are doing our due diligence assessments by using OECD's guidelines. To help us on our way to improve in this area we have chosen to use external tools to give us a sense of direction and to show us which way we should go. ISO certifications and sustainability ratings helps us on our way and we are proud of how far we have come in a challenging environment. Aiming for high standards means continual improvement and an ongoing, never stop process to be better. This is long term work and we take small steps each day to improve. With a risk based approach we seek to have our biggest focus on our markets highest risks, without losing sight on the minor issues. We admit that we still have a long way to go, but this work is, like so many other things, an everlasting learning and improvement process that never will be defined as done. Our hope is that we can make a difference, even if we are a relatively small global player.

We welcome you to read our report.

Sonnie Førreisdahl

Sustainability & Quality Assurance Manager

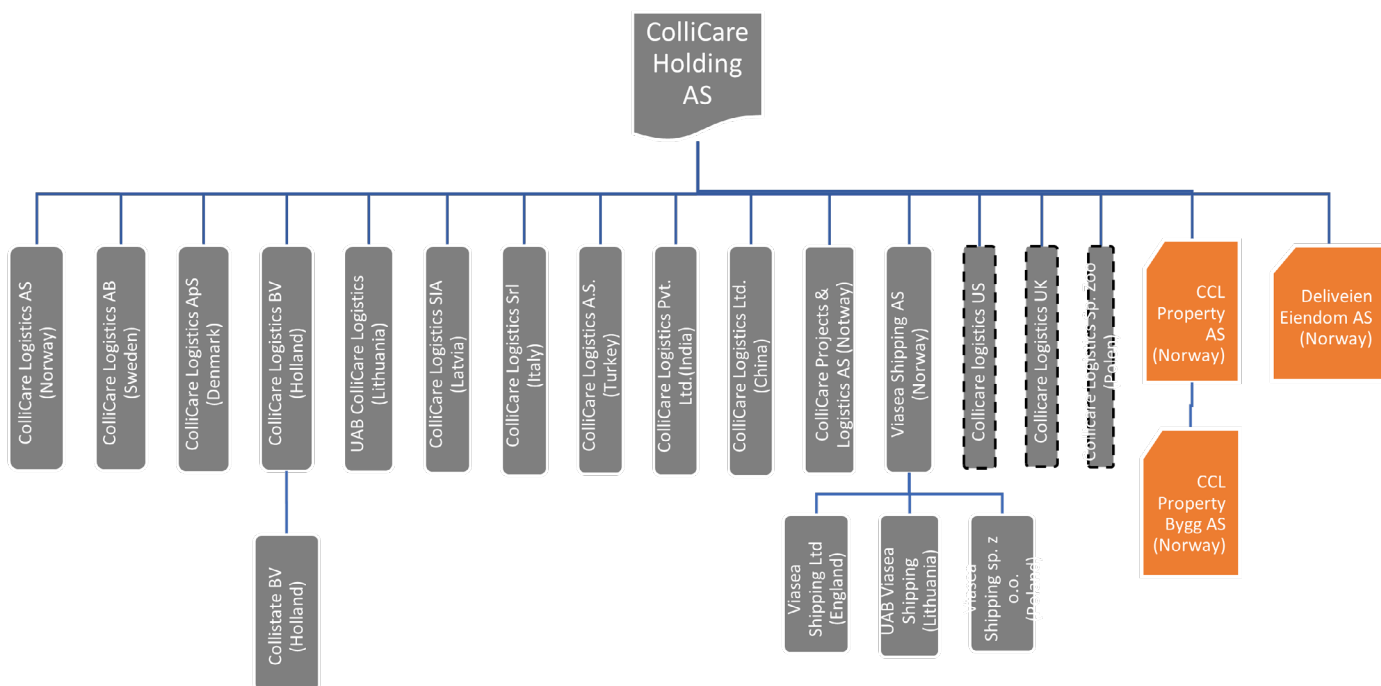


Table of Contents

To the Readers of this Report	2
ColliCare Logistics - Key Information	4
Sub-Contractors and Suppliers	5
Due Diligence Assessments	7
Embed Responsible Business Conduct	8
Identify & Assess Adverse Impacts	10
Cease, Prevent or Mitigate	12
Targets, Prevent or Reduce our Risks	13
Track	16
Communicate	17
Provide for or Cooperate	18
Environmental Aspects	19
Environmental Policy	20
GHG Emission Report	21

ColliCare Logistics - Key Information

- Name of the company:
ColliCare Holding AS - 926320432
- Headquarters Address:
Deliveien 10, 1540 Vestby
- Provider of all logistics services within transport by -sea, -road, -air, -rail, third- party logistics, distribution, home delivery and warehousing.
- Turnover for 2022: **3 800 000 EUR**
- Number of employees: **600**



Sub-Contractors and Suppliers



Number of Sub-Contractors used in 2022:

518

Number of Suppliers used in 2022:

67 Suppliers

The company has a sanction policy that limits our operations in countries that are regulated through Norwegian, EU, USA and UN sanction laws and regulations.

Sub-Contractors:

This list shows the countries we have sub-contractor relations in and the number of sub-contractors in each country. We divide our sub-contractors in three depending on how much we use them. We also have a fourth category, which is sub-contractors we do not want to use for some reason. Most of our business is transportation flow to Scandinavia from the countries we have own offices in. Our belief is that local presence makes it easier to have control on our business. Suppliers code of conduct and a due diligence self-assessment questionnaire has been sent out to these sub-contractors. About 50% of those has sent back a signed code of conduct. However, the number of self-assessment questionnaire received has been very few. Even with reminders. We are already looking at how we can improve this process.

Road: Road transportation is characterized by use of several sub-contractors and spot markets. This causes high risks that ColliCare Logistics has addressed by focus on sub-contractors we have knowledge and experience with, even if we do not necessary have a signed contract with that carrier. However, with increased focus through legislation and controls, this market has decreased its risks.

Short Sea: Is shipping transportation within Europe and are done mostly with CCL Groups own company, ViaSea. All ViaSea ships have workers that are organized through IT Sea Farers. Occasionally we can use other shipping companies, but are then using larger well reputable companies that have third party checked control systems, like ISO certifications, EcoVadis sustainability score or similar.

Deep Sea: Is all shipping coming in from outside of Europe and are characterized by big players. These companies are of such a size that it is difficult for smaller ones to ask for transparency regard to their processes and routines. However, all shipping companies we used in 2022 are third party evaluated through certifications and/ or sustainability ratings. Our transportation are based on what we call FOB – Free On Board. Meaning that we will have no responsibility before the customers goods enters the ships.

Air: CCL holds a IATA licence which means that we need to follow strict guidelines for all our air transportations.

Suppliers:

The number of Suppliers are the suppliers used in Norway only. We are working on extending our controls to suppliers for our offices outside of Norway. In all 47 suppliers in Norway. 19 for leverage items, 14 for strategic items and 14 for non-critical items.

Purchasing merchandize and services: We use third party checked vendors that are committed to Etisk Handel, are audited by a third party or similar. We also use local "neighbourhood" suppliers which is defined as low risk. Our largest supplier has been through a audit with special focus on the aspects of the Transparency Act.

Due Diligence Assessments



1. Embed Responsible Business Conduct Into Policies and Management Systems

Our policy and our Code of Conducts can be found on our web pages. All employees and sub-contractors must approve our Code of Conduct and do all their business in line with these standards. These policies and guidelines, as well as the Groups strategies and goals are approved in the yearly management review meetings together with the senior management for the ColliCare Group. A yearly report are written, presented and signed by the CEO.

Strategies and action plans:

Responsible business conduct at CCL is all about the three pillars that is the basis for our whole sustainability strategy; Human Rights, Labour Rights and thoughtfulness for the environment. These pillars are applicable all throughout our whole value chain.

Human Rights: We pledge to protect international human rights in line with the Universal Declaration of Human Rights and are working for no violations at our own workplace, departments and offices as well as throughout our whole value chain.

Labour Rights: All employees and workers representing CCL in any way shall have a safe and healthy workplace. We have a zero-accident philosophy, and our procedures and routines are in line with this policy. We highly value and respect employee rights, including the right to organize and for collective bargaining. We promote diversity and equal opportunities and works for a livable wage in our whole value chain. With a livable wage we mean the amount of income needed to provide an employee with a basic but socially acceptable standard of living. The ILO Conventions (International Labor Organization) are the guidelines for our labor rights standard.

Environment: Our goal is to reduce our emissions with 55% within 2030 and to be emission free in 2050 in line with the Paris Agreements goal for limiting the global warming to 1,5 . To be able to reach this goal we actively participate and support the development of new technology and make investments when possible. In addition, we have a strong focus on creating rail routes and move goods away from traditional road transportation to shipping. We also have a commitment to reduce our waste and to ensure sorting for easier recycling.

Who is responsible for the due diligence assessments and how is it organized:

The overall responsibility for our responsible business conduct and sustainability strategy is the Sustainability Manager. She shares the responsibility with the HSE Manager and two Advisors. This group has regular health, safety, quality and environment work groups. The team supports all units in questions regarding our strategy, and are helping out with the implementation of a responsible business conduct in all countries we are located in. The due diligence assessments are this teams responsibility. Two of the members of the team has gone through OECD Norway's training in due diligence assessments and the manager has also participated in a sustainability course. Further training are evaluated on an ongoing basis.

How do we communicate the importance in our organization:

All employees receives training in environmental issues, health and safety issues and our code of conduct. Everyone has the responsibility to ensure that our code of conduct are being followed and being part of CCL also means that you have to commit to these guidelines. In CCL we are treating each other with respect and dignity.

We also have in place a whistleblower procedure that all employees, workers in our value chain and other stakeholders can use to report concerns, suspicions of misconducts or witnessed misconducts.

We perform internal audits with due diligence assessments and employee interviews to ensure that we are following our policies, procedures and all necessary routines. The employee interviews are in addition to employee satisfaction surveys and personal development meetings and are all a part of ensuring that all employees are treated well and have a proper work environment.

How do we communicate the importance to our sub-contractors and business partners:

Sub-Contractors and business partners must sign our suppliers code of conduct and policy and are obligated to follow these rules. They can be audited, and how they perform due diligence assessments are a part of the audits. Who to audit each year are chosen by using a risk based approach and we are operating with audit plans that are evaluated on an ongoing basis. Our audits follows the laws and regulation for notice times and follow ups.

Our sub-contractors and business partners are mostly long-term service partners we have had onboard for a long time. That gives us the security of knowing how they work and their qualities. However, from time to time we need new suppliers on board and for choosing new suppliers we have a procurement procedure that needs to be followed. Due diligence assessments have a natural part of that procedure.

Our Experiences:

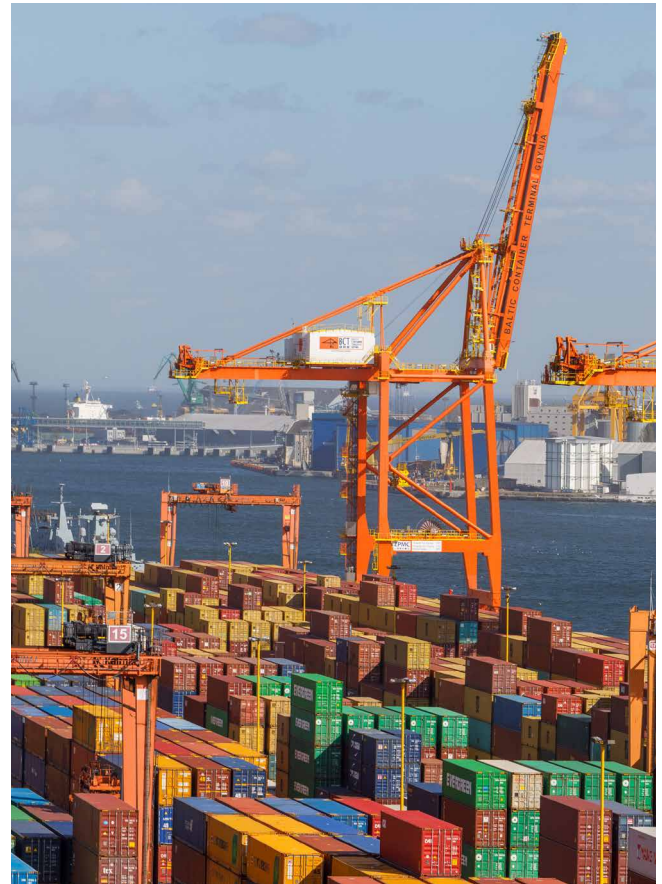
The Transparency Act is new for everyone and a lot of our sub-contractors here in Norway are pretty small in size and not obligated to report in line with the Transparency Act. For them it seems a bit too much with the level of documentation we require. Our focus is to get all to sign a suppliers code of conduct and a self-assessment questionnaire, not only here in Norway. It has turned out to be difficult to collect this information. The code of conduct has been signed by about 50%, but the reply's on the questionnaire has almost been non-existing. We will continue to focus on our sub-contractor management procedures to ensure that responsible business conduct becomes a natural part in our whole value chain, no matter the size. However, it might be changes in the process as we have issues with the needed feedback.

2. Identify & Assess Adverse Impacts In Operations, Supply Chains & Business Relationships

To identify and assess adverse impacts are about risk evaluations of our value chain. Logistics is a business area a lot of people has opinions about, due to the many headlines in the news. Safety issues due to trucks that are not in good shape, bad winter tyres, breach on cabotage laws and drivers that does not have money enough for decent food while being on the road. The headlines have been to many. These are risks that all in our business is facing and we are focusing every day to fight transportation companies that are not treating their drivers fairly. However, these headlines does not show the whole picture because logistics is not at all only about road and drivers. There are many aspects of logistics; shipping, rail, storage, terminals and office and all of these aspects are taken into account in our identification process.

Risk Evaluation Process:

CCL are using a 5x5 matrix for the risk evaluation process, meaning we rate the risk on a 5 point scale from insignificant to critical and the probability from unlikely to almost certain. These risks are defined through an assessment of the business areas we operate in with input from the different parts of the business that has the best knowledge and experience. In addition to reports from our deviation system, we have also used interviews in all levels of the organization. Local presence helps us to identify risks in areas and countries we operate in outside of Europe. Our risk evaluations also include country risks for the country we are present in and a general industry risk. All these areas are taken into consideration in our 5X5 risk matric. Risk evaluations is an ongoing process and are part of the management review meetings performed twice a year with senior management in place. This process are also third party evaluated in periodic audits as CCL Group are ISO certified.



With the Risk Evaluation process as a backdrop we are able to choose the prioritized risks that will have our extra focus for the period 2023/2024.

Prioritized Risks:

All risks are for the whole value chain, defined as everyone that is representing CCL Group in any way.

Risks related to decent work environment:

- o No harassments and/ or discrimination of any kind
- o Proper work contracts and living wage to all

Risks related to our zero accident philosophy:

- o Traffic Accidents while transporting goods
- o Ergonomical issues

Risks related to our Environmental Strategy:

- o Reduce emissions

The priorities are done with a risk based approach and are the risks that we are putting our focus on for 2023/2024. These risks are defined through our risk evaluation process as described under "Risk Evaluation Process". However, the risks are evaluated on an ongoing basis and can be altered if significant changes are done. Even if Responsible Business Conduct are done in a separate risk evaluation, the biggest risks are also visible in the overall evaluation for CCL Group. These risks are divided into Operational, Commercial, Compliance, Strategical, Reputational, HR/HS, Sustainability and In Country.

Other Risks and why they are not prioritized:

Work and Rest periods: this has historically been a big issue, but with the introduction of tachographs in the trucks that measures the driving hours, this is now considered a low risk.

Accidents on site (storages and terminals): Regular safety rounds has helped to decrease the risks substantially

Uncontrolled emissions of dangerous waste: Several actions has decreased the risks. ADR training of all personnel handling dangerous goods, strict routines, contract with external supplier if situations occurs, implementation of the IT system EcoOnline and an emergency plan for unwanted incidents.

Waste Management: Monthly reports ensures that we can track our waste management. That they are not prioritized does not mean they are forgotten. All risks, also those considered to be low risks, are evaluated on an ongoing basis.

3. Cease, Prevent or Mitigate *Adverse Impacts*

Cease, prevent or mitigate is all about dealing with the findings our assessments has uncovered. As described earlier we are focusing on our biggest risks without losing sight on what we have defined as low risks. In the following pages we will describe the measures we have done to meet the risks we are facing.

As well as auditing our own value chain, CCL is also being audited by third parties. CCL is ISO certified (9001, 14001 and 45001) and are going through periodic audits every year. We are also seeking to certify our offices in other countries and Denmark received theirs in 2022. We are also holding a gold medal sustainability score through EcoVadis which is evaluating us every year to maintain our score. This year our goal is to continue our certification work with our Swedish offices. These certifications helps us with continual improvement and to deal with our findings in a holistic and systematic way.



Targets, Prevent or Reduce our Risks

Prioritized Risk	No harassments and/ or discrimination of any kind. Impact related to decent work environment
Target	Zero cases
Status	Our employees and CCL "representatives" are in contact with a lot of people every day and meets people with different views and level of patience. Harassments and discrimination can therefore be an issue. In 2022 we had one case.
Target for the Reporting Year	Zero cases

Measures taken and the reason behind our actions:

We have had our Code of Conduct for several years, but to be able to put an extra light on it we launched a e-learning course to ensure full understanding for all our CCL people. We have also implemented the understanding and managers engagement as a permanent part of our audits. In 2023 we seek to have no harassment and/ or discrimination as a topic in our yearly HSE week.



Targets, Prevent or Reduce our Risks

Prioritized Risk	Proper work contract and livable wage to all. Impact related to decent work environment for drivers.
Target	All drivers shall have a proper work contract and a livable wage.
Status	CCL performs regular checks in line with the supervisory responsibility and audits at carriers headquarter. No findings in 2022.
Target for the Reporting Year	No findings in 2023

Measures taken and the reason behind our actions:

In CCL we have a HSEQ (Health, Safety, Environment and Quality) team who's responsibility are to ensure that controls and audits are done in line with our procedures and plans. We perform three different controls. 1) document controls where we check only work contracts and salary slips. 2) driver controls where we interview the driver and have vehicle control. 3) audits at carriers headquarter for full walkthrough of procedures, routines and on site observations. The combination of these checks are created to ensure a decent work environment for drivers that represent CCL. 2022 was the first year since before the pandemic that we were able to perform checks in line with point 2) and 3). This effort will continue in 2023 in line with an extensive audit plan.

Prioritized Risk	No Traffic Accidents causing injury's to the involved parties. Impact related to zero accident philosophy
Target	No accidents
Status	Two traffic accidents in 2022, none with injuries or fatal outcome
Target for the Reporting Year	No traffic accidents causing injury's

Measures taken and the reason behind our actions:

With so many vehicles on the road at the same time, traffic accidents will always be a fairly high risk and not always something you can do much about. There is no doubt that traffic accidents can be fatal. In 2022 we had two accidents, fortunately none with injuries or fatal outcome. In the drivers handbook we give advice on good food choices and that everyone needs to take necessary breaks to function in a good way. At the driver controls we check that vehicles are in good condition and that the driver has all necessary licenses. These actions are done to ensure that our drivers have safety on the top of their mind. If accidents happens we have an emergency plan to ensure efficient handling of the situation. We will continue with this effort in 2023.

Targets, Prevent or Reduce our Risks

Prioritized Risk	Reduce the ergonomically issues due to heavy lifts and sedentary work at the office. Impact related to zero accident philosophy
Target	Zero accidents/ reduce sick leave
Status	No accidents in 2022/ no sick leave due to ergonomically issues
Target for the Reporting Year	No accidents/ no sick leave due to ergonomically issues

Measures taken and the reason behind our actions:

CCL workers are exposed to heavy lifts while working at storages or terminals, but also at our customers while delivering. Sedentary work at the office can cause health issues, especially related to shoulder and back pain. Our occupational health service company Avonova and CCL is working close together on a set action plan to minimize the issues. Avonova is walking through our working routines and work station set up every year and are part of our work committee (AMU). CCL can also offer reduced price for massage, work desks that can be raised up and down, training facilities as well as reduced price to one of Norway's leading fitness chain. In 2022 we had extra focus on this issue in our HSEQ week. We will continue our work with Avonova throughout 2023.

Prioritized Risk	Reduce Emissions. Impact related to our environmental strategy to reduce our GHG emissions
Target	Reduce GHG emissions with 55% within 2030
Status	From our base year 2019 we have been reducing our emissions with 40%. We had a slightly increase in 2021 when air freight got introduced back into the mix following the pandemic. From 2021 to 2022 we took a big leap
Target for the Reporting Year	Increase the use of environmental friendly solutions and keep moving goods from road to shipping and rail

Measures taken and the reason behind our actions:

To be able to measure our GHG emissions we invested in a trusted calculation system in the very start of 2022. The key to understand our own emissions is to know where we stand. In addition we have continued our investments in vehicles with new technology. These are limited to the access of infrastructure. In our supply chain we have launched a phase out plan where we are helping our sub-contractors to set targets and help them calculate the costs for moving to more environmental means. We are also continuing to be part of programs that works actively for realizing the green shift and are pushing government and developers together with these programs. In 2022 we also started with investigating if a new-build ship on zero emission technology can be realized. We believe that these actions are the key to reduce our emissions to reach the target for 2030. We will continue this work in 2023.

4. Track *Implementation and Results*

In CCL the HSEQ team as described earlier in this report are responsible for the evaluations, setting the actions and measure the effect of the decided actions. The team has monthly meetings and any potential issues are addressed to the senior management team. Together they will decide how to act.

Twice a year all actions and results are presented, discussed and evaluated in a management review meeting. Both CEO and representatives from the Board are present. The team has responsibility for performing supplier – and sub-contractor audits and due diligence assessments and are doing so in line with a set audit plan. Even though this work is not new to the team, this is the first time CCL are reporting on the results.

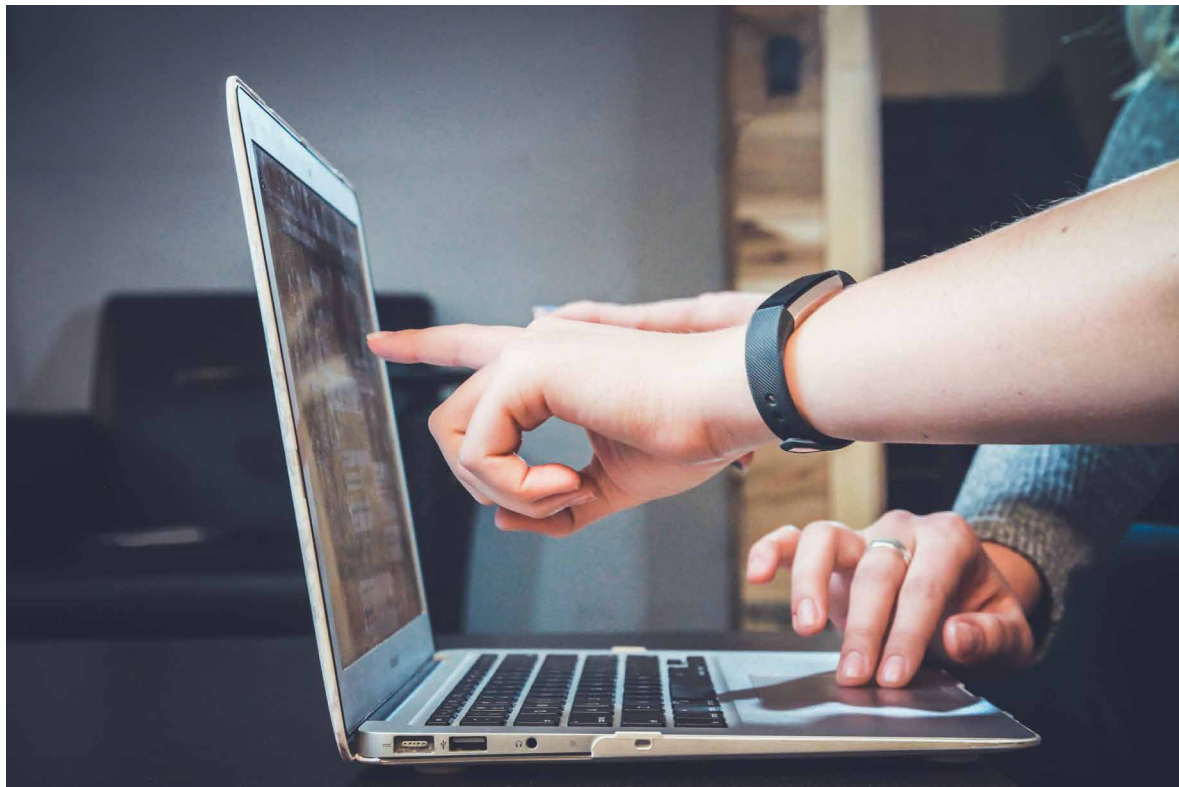
Major non-compliances*: 0

Minor non-compliances**: 1

The non-compliances are described on page 13 in this report.

*Major non-compliances are defined as: child labour, trafficking, bonded labour - including slavery. Human rights are not respected, no evidence of proper HSE measures, livable wages are not paid, not compliant to laws and regulations, systematically harassments and/ or discrimination

**Minor non-compliances are defined as: Breaches that can cause tension, irritation or frustration at the moment it happens, but although it's severity it is easily forgotten. This can be unthoughtful comments based on religion, sexual orientation, gender etc.



5. Communicate

How Impacts are addressed

Responsible Business Conduct includes how we communicate the way we work with due diligence assessments and how we will remediate if negative impact has been identified. As part of the OECD's guidelines it is important with transparency and this report is, amongst others, part of our communication plan. This report is available to all stakeholders and can be downloaded on our web pages.

In 2022 we have not identified any cases where CCL contributed to or caused a negative impact on the environment, society or any of the people in CCL's value chain.

How do we Communicate to Stakeholders the Handling of Negative Impact

Internal Communication:

- o Internal News: all important information is communicated through our internal news web page. These messages can be adapted to fit each country and in the preferred language.
- o Contact list for special incidents: Communicated a list of people to contact, if special incidents that has or can cause negative impact, occurs. All people in this list has their dedicated work tasks if severe deviations occurs.
- o Whistle-blower procedure: All employees can report incidents anonymously through our whistle-blower procedure. All cases reported here will be handled by HR. In 2022 we had zero cases reported through this channel

External Communication:

- o News Letters: Every 4-6 weeks we send out a newsletter to our customers. In this letter we can address what we do to issues that can or has caused a negative impact.
- o Whistle-blower procedure: All stakeholders can report incidents anonymously through our whistle-blower procedure. All cases reported here will be handled by HR. In 2022 we had zero cases reported through this channel

Publicly Communication:

- o Responsible Business Conduct Report: The responsible business conduct/sustainability report will be prepared in line with the Norwegian Transparency Act and published on our web sites. Where to find it will be visible in CCL's yearly report

6. Provide for or Cooperate In Remediation when Appropriate

If CCL discovers through its due diligence assessments that actual negative impact has found place, we are obligated to remediate as appropriate. Remediation can be economical or other compensations. Public apologies or that the damage is otherwise rectified. Possible negative impact and actual negative impact can be directed to CCL in three different ways.

- o Deviation system: all employees have access to register deviations and can also make them scrambled so only the case worker will see the information. This system also encourage improvement proposals and positive feedback
- o Work Committee: Concerns can be communicated to the work committee that have meetings every quarter. This work committee is chosen by the employees, in addition to a representative from Avonova – the occupational health service.
- o Whistle-blower procedure: Both employees and other stakeholders can report concerns and/ or witnessed negative impacts through our whistle-blower procedure. All concerns can be reported anonymously and will be handled by CCL Groups HR department and/ or the HSEQ team, depending on the type of case.

CCL's Policy for Remediation when Negative Impact has been Discovered

CCL acknowledges that every case discovered must be treated differently, and be customized to the actual case.

A crisis team is defined and consist of the following roles; CEO, HR Manager, HSE Manager, Chief Marketing Officer, Sustainability Manager and the main Safety Representative. This group decides if any other roles should be added and what to do with the case identified. Depending on the case, collaboration with suppliers, sub-contractors and other stakeholders can be applicable, as well as hire in external experts to manoeuvre in difficult cases.

However, CCL strongly believe in that good preparations, focus on continual improvements, root cause analysis and assessments will act as preventive measures, and acts in line with this in mind.

Environmental Aspects



Environmental Policy

Commitment to the Environment

We affirm to all our customers, employees, subcontractors and other stakeholders that we will conduct our business with respect and care for the environment. We will seek to apply good environmental practices and operate in a sustainable manner in all actions, and in compliance with laws and regulations.

Environmental improvement process

We will seek continual improvement by focusing on our core processes in our day to day business.

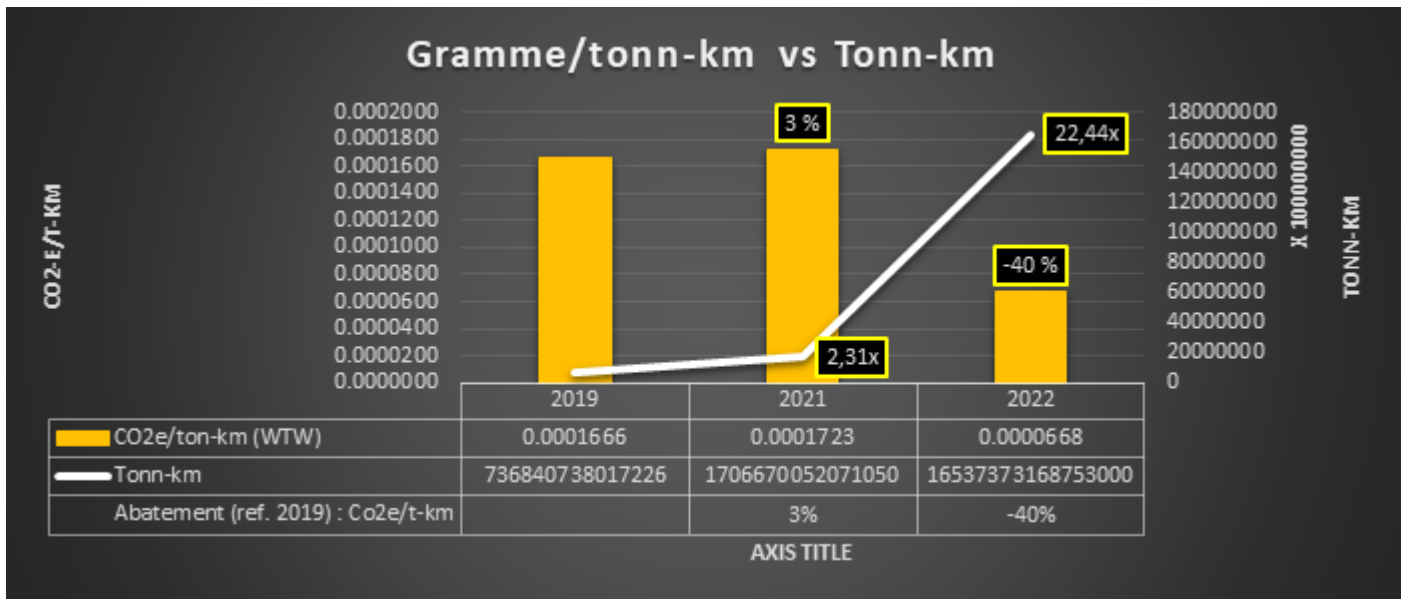
- o Smart planning and smart use of equipment and capacity to ensure efficient logistics, maximize capacity and minimize the use of resources
- o Actively seek to help our customers to choose the greenest alternative that fulfils their needs. Meaning that we will move goods from road to sea, rail or multimodal solutions whenever possible.
- o Continuously seek environmental friendly solutions and technology
- o Ensure that all necessary actions are taken to prevent unwanted and/or uncontrolled pollution to harm the environment.

CCL's major target is to cut our emissions with 55% within 2030. GHG emissions calculation is therefore of great importance. Calculation is an important tool to identify specific measures to reduce our emissions, see the development trend thus evaluate them over time. We are visualizing results in graphs, tables and reports and can find the best alternative to cut emissions by computing emissions from different solutions for the same route. We focus on moving goods from traditional road over to sea and rail. Multimodal solutions and invest in new technology when available.

CCL is also computing GHG emission reports to customers and business partners.



GHG Emission Report



	2019	2021	2022
CO2e/ton-km (WTW)	0,0001666	0,0001723	0,0000668
Tonn-km	736840738017226	1706670052071050	1706670052071050 16537373168753000
Abatement (ref. 2019) : Co2e/t-km		3 %	-40 %
Abatement (ref. 2019) : t-km		2,31x	22,44x

The yellow columns shows the CO2e emissions in ton-km based on well to wheel calculations. The white line shows how many tonnes of goods that is transported pr km. CCL experiences rapid growth, but are despite that, managing to cut emissions. Our calculations are compliant to EN 16258 and ISO 14083. Our goal is to cut emissions with 55% within 2030. In addition we want to be carbon neutral in Norway also by 2030. Rest of Europe in 2040.

Contact person for this report



Sonnie Førriisdahl

Sustainability and Quality Assurance Manager

sonnie.forriisdahl@collicare.no