



ENVIRONMENTAL POLICY

»» SCAN GLOBAL LOGISTICS – ENVIRONMENTAL POLICY

Our Environmental policy defines and communicates how we work with our environmental performance and sustainability. The policy is binding for all employees in all countries of Scan Global Logistics Group.

We acknowledge the impact of our business activities on the environment and are committed to improving our environmental track record through precautionary measures and environmentally friendly technologies. We consider risk scenarios and conduct business critical assessments within air, water, biodiversity, land use, deforestation, animal welfare, soil pollution and noise emissions when determining our field of action.

We have determined ambitious climate targets and we will reduce our environmental footprint of greenhouse gasses (GHG) in close cooperation with customers and suppliers.

We have approved near-term science-based emissions reduction targets:

- We commit to reduce absolute scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year.
- We also commit to reduce scope 3 GHG emissions from upstream transportation and distribution 51.6% per tonne-km within the same timeframe.

We are further committed to set long-term emissions reduction targets with the Science Based Target initiative in line with reaching net-zero emissions by 2050.

An overview of our targets and progress updates can be found in our annual Sustainability Report.

All company CO₂ emissions are measured in 3 Scopes:

Scope 1: Direct emissions from buildings and fuel combustion (own vehicles and heating)

Scope 2: Purchased energy (electricity, heating and cooling)

Scope 3: Upstream and downstream activities (including transportation)

Our targets are supported by our focus on the two UN Sustainable Development Goals:



13: Key ambition to reduce our own CO₂ emissions and help our customers reduce their transportation emissions.



17: Drive the zero carbon journey together with like-minded companies.



RISK MANAGEMENT AND RISK ASSESSMENT OF THIS POLICY

When planning, implementing, and executing strategic objectives and goals, we need to account for outcomes and circumstances, that can threaten the achievement of these ambitions. To accommodate this, our Policy is created using a risk-based approach, including a yearly updated risk assessment for the relevant risks related to the policy.

The risk assessment is done based on the internal Scan Global Logistics dedicated SOP "21414 Risk Management" and using the controlled template "21585 Template – Risk Analysis" maintained in the global company "Quality Management System".

Considering environmental conditions are an integrated part of our management system and our overall work ethics, we are committed to:

- Complying with applicable environmental laws, regulations and legislation e.g. covering areas within air quality, water quality & consumption, responsible chemical handling, sustainable resource management and waste reduction.
- Reduce the electricity consumption in our premises by using LED light and invest in renewable energy.
- Reduce our CO₂ footprint in our premises.
- Improve sorting and recycling of all waste in our premises.
- Informing our customers on environmental challenges, how to reduce CO₂ and providing them with a full CO₂ overview regarding the emissions attached to their shipments.

- Supporting our customers and vendors in reducing their CO₂ footprint.
- Influencing customers and suppliers to choose solutions with low CO₂ emissions whenever possible.
- Establishing partnerships with all stakeholders along the supply chain to enable CO₂ reduced transportation solutions.
- Having an open dialogue with authorities, customers, suppliers and other stakeholders, and providing information regarding our environmental performance.
- Securing a high utilisation of the capacity in all transport modes.
- Take a precautionary approach to challenges on the environment.

»» **MANDATORY TRAINING**

Training in the Environmental policy and other SGL Group policies are conducted for all new employees and every two years in the global mandatory e-learning platform 'Academy' together with tests which all employees must pass to finally receive a diploma for the training as documentation. All training is registered and stored digitally in the system.

»» **REVIEW AND UPDATE OF POLICY**

This Policy is reviewed and updated (if necessary) annually.

We will comply with:

- ISO 14001

The majority of our organization is covered by our ISO 14001 Multiple site certification - and the rest of the world will shortly follow.

*Taking sustainable **actions now**, for the **generations to come**.*



Martin Andersen, Global Head of Sustainability & ESG