

7<sup>th</sup> CSR/ESG report  
V1.1. May 2024

# ESG

REPORT  
2022-2023

Kim Johansen Transport Group

**Kim Johansen**  
TRANSPORT GROUP



# Introduction

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Kim Johansen Transport Group (KJTG) is delighted to present the 7th edition of the Corporate Social Responsibility (CSR) report in a changed format with a focus on our Environmental, Social, and Governance (ESG) impact and activities

As the regulatory environment and focus on ESG reporting continue to change, we have initiated the process of adjusting our CSR report, as we are also preparing for the upcoming CSRD standards in 2025. We are actively engaging with stakeholders to understand their expectations and our business' impact better. This dialogue is crucial in shaping our business goals and actions to ensure they align with future ESG objectives.

The increasing importance of ESG considerations has led us to reevaluate the way we monitor, analyze, and document our business practices. We see these demands as positive developments in the sustainability sector, prompting us to enhance our transparency and responsiveness to stakeholder needs.

This report will review our environmental, social, and governance activities throughout 2022 and 2023, and include actions for 2024.

Noteworthy achievements during these years include improvements in driver work conditions, GDPR compliance, and the implementation of whistleblower practices.

Additionally, we actively participated in the drafting of "Mobility Package 1," a set of new rules for the road transport sector aimed at safeguarding the interests of drivers and the industry in general.

We invite you to explore our ESG initiatives in this report.

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# About us

The company was founded in Denmark, in 1980, when Kim Johansen bought a small haulage company with a fleet of nine trucks. Today KJTG is a multinational company with offices across Europe and more than 900 employees.

Our expertise lies in business-to-business transportation of air-cargo and other time-sensitive goods. We design the process as simple and smooth as possible with our unique logistic setup with driver hubs through Europe.

Our logistic setup allows our drivers to work close together and support each other to provide our customers with time-sensitive delivery as lean and environmentally friendly as possible. At the same time, our many hubs give our drivers a good place to stay for the needed resting time, to make sure the goods are also delivered safely.

Our business model is based on a setup in which we aim to keep our trucks on the road 24/7. To do this, team spirit and flexibility between drivers and office team is the key. We change drivers along the route, while our trucks carry on, ensuring a fast and safe delivery of goods to our customers.

Our Service Desk colleagues assist our drivers with support 24/7 through the year. Specific education is provided within our MyKim Academy with a focus on delivering on-time great service with a smile and living our values of respect, responsibility, teamwork, and flexibility. Every day.

## Our Mission

*We provide time-sensitive and efficient transport solutions with respect for the environment and road safety.*

## Our Vision

*We are striving to have a market-leading position within air cargo trucking in Europe while expanding our services within time-sensitive transport solutions.*



**1980**

Founded by Kim Johansen in Valby, Denmark

**1992**

Air-Cargo business increasing + office in Norway

**2002-'04**

Establish of entities in **France** and **Estonia**

**2007**

New entity in **Poland**. +new driver hub & main workshop in DK

**2014**

Establish of entities in east and west **Romania**

**2018**

Transport company acquired in **Latvia**

**2021**

Bring Trucking entity acquired in **Slovakia**

# Values

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**Our Values** are the foundation and core of everything we do, in KJTG.

The values are the solid ground on which we build our company and are fundamental to achieving our vision of a market-leading position within air cargo trucking and time-sensitive transport solutions in Europe.

We expect all employees to contribute with an attitude and behavior that build up the team spirit we aim for. We do this by creating a psychologically safe environment and by living the values every day.



## Teamwork

Communicate in a clear, efficient way, with a focus on solutions – not the problem or person. Don't be afraid to share relevant thoughts and ideas. Also, when things go wrong. Mistakes are very important lessons to learn from. Give constructive feedback. Receive feedback as a gift. Listen and “be present”. We are all working towards the same goal: *Getting Better Together*.



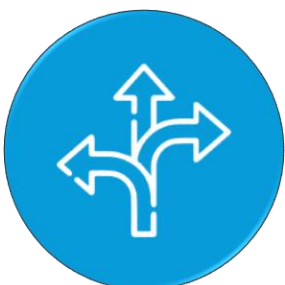
## Respect

Show kindness, empathy and compassion. Treat others in a way that shows them that you care. Consider them as a person of worth. Accept and appreciate our differences. Smile, listen and pay attention to others. Be open minded and show gratitude. Apologize when you are wrong. Drive safe and be considerate of people and environment when driving in traffic. Follow the rules and be polite.



## Responsibility

Understand the work you and your colleague are responsible for and make the effort to complete on-time and to the expected standard. If our customers are happy, they continue to call us for more work. Know your task, the rules we operate within and do your job professionally. If we all take responsibility for our work, we will reach our common goal to succeed in our business.

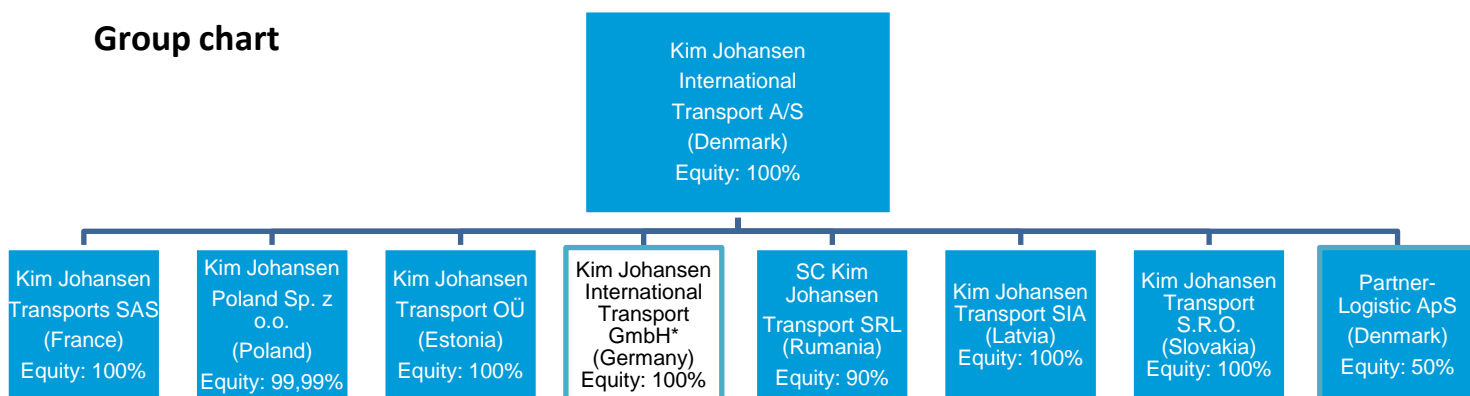


## Flexibility

Always search for solutions of doing things smarter – not harder. Be ready to help others despite your own schedule of the day. Be open-minded to change and be ready to adapt to new ways. Share your ideas. This is the best way for us to continue to improve our business and make every day a great day at Kim Johansen.

# KJTG Facts

## Group chart



\* inactive company



### Product & services

We are a road transportation company with a specialty in delivering time-sensitive goods and air cargo.



### Market

We are operating all over Europe and only in business-to-business relations. Our main customers are large logistics companies.



### Sector

We are solely operating in the tertiary sector of road transportation and thereby related customer services.



### Turnover MM DKK

2020	2021	2022	2023
453	580	611	600



### Drivers (FTE)

2020	2021	2022	2023
624	710	655	682



### Office employees (FTE)

2020	2021	2022	2023
102	118	117	130



### KM driven ('000 000 km)

2020	2021	2022	2023
51,7	54,4	57,8	55,12



### Trucks / trailers

2020	2021	2022	2023
334/362	430/372	400/443	376/431

# Where we are

We have offices and HUBs all over Europe to support our mission of providing time-sensitive transport, in the most effective way and in respect of the environment. All hubs are continuously updated and renovated to give the drivers the best possible working day on the roads.



- Here you can find our offices
- And here we have some of our hubs and Hotels





# Company House

With our Values as the foundation and core of everything we do in KJTG, and our **Mission** and **Vision** as our guiding star, our pillars in the company are the balance between our **Strategy, Structure, and Culture**.

A strong and careful company culture along with a clear organizational structure encourages people to effectively implement the strategy. Therefore, we work towards bringing the KJTG house in balance at all parameters.

## Goals

- To have a market-leading position within air cargo and time-sensitive transport
- Achieve continuously improving customer satisfaction rating
- Be the Best Place to Work in a value-based culture of psychological safety
- To reduce our carbon footprint

## Strategies

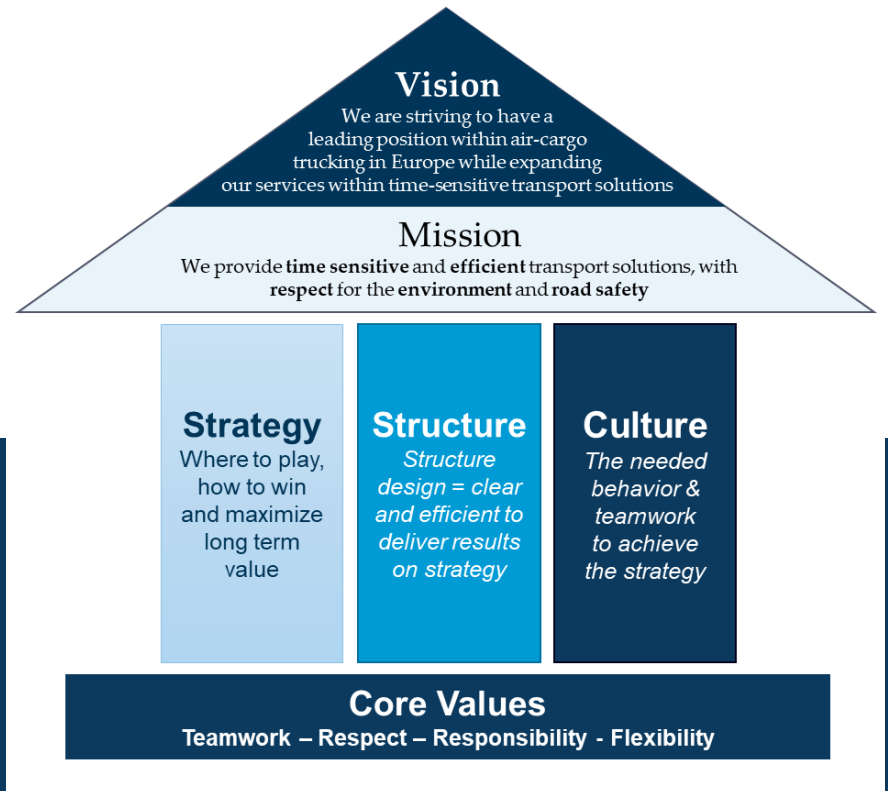
- Invest in technology to improve our efficiency and productivity
- Expand our network to reach new markets and customers
- Focus on customer service with the highest level of service and support
- Invest in sustainable practices to reduce our environmental impact

## Implementation

Internally, we will focus on training and development, employee meaningfulness by a culture of psychological safety, and process improvement.

Externally, we will focus on partnerships, marketing, and sales.

We are confident that our business strategy will enable us to achieve our goals and vision to become the premier provider of time-sensitive transportation solutions in Europe.



# Business Model Canvas

<p><b>Key Partners</b></p> <p>Our key partners are:</p> <p>Vehicle manufacturers and maintenance providers;</p> <p>Suppliers of tyres and other fleet equipment; Fuel Suppliers;</p> <p>Technology partners offering logistic management solutions, communication platforms; on-time tracing systems and high security level;</p> <p>Crossing partners (ferries, bridges etc.);</p> <p>Local Authorities (employment, fleet registration/approval etc.);</p> <p>Banking and financial institutions; Insurance companies;</p> <p>Other Transportation companies to ensure a wide network and deliverance on time despite external factors;</p> <p>Recruitment and education partners.</p> <p><b>MOTIVATIONS FOR PARTNERSHIPS:</b> Optimization and economy, Reduction of risk and uncertainty, Acquisition of particular resources and activities.</p>	<p><b>Key Activities</b></p> <p>Time-sensitive and security-approved transport of goods; Road planning and optimization; Fleet management &amp; maintenance; Developing and maintaining digital platforms for operational optimization; Collaborating with partners and suppliers to ensure a seamless transportation network; Utilizing technology for route optimization, tracking, and communication with drivers and customers; Employee Training and development; 24/7h support; Commercial Initiatives; Recruitment.</p>	<p><b>Value Propositions</b></p> <p>We are experts in effective security-approved and time-sensitive transport solutions and have a wide network of driver hubs across Europe.</p> <p>We are flexible and tailor the solution to fit the needs of our customers. We offer fair and competitive prices, and we can adapt in case of unforeseen circumstances.</p> <p>We are doing things according to law and regulations.</p> <p>We have strong company values to support behavior and company culture based on responsibility, respect, flexibility and teamwork.</p> <p>We have an education and training academy to ensure proper onboarding and highly skilled employees to deliver great service to our customers and make positive results.</p> <p>Our employees are always ready to suggest the most convenient transportation options and timings. We offer monthly performance reports and CO2 counts of the transportation services on the invoice.</p>	<p><b>Customer Relationship</b></p> <p>Reliable and efficient transportation; Scalability and flexibility; Cost-effectiveness; Transparency and communication keeping your customers informed about the status of their shipments and addressing any concerns promptly; customized solutions; Reliable and responsive partner offering competitive prices and effective on-time solutions; educated employees for security approved cargo; Security by having Regulated Agent certification.</p>	<p><b>Customer Segments</b></p> <p>Our Target Customer market is high-volume shippers, air-cargo companies and freight forwarders with high shipping value of time sensitive full loads in Central, North, Western Europe.</p> <p>Our customers require specialized, security approved and time-sensitive transportation solutions.</p> <p>Companies dealing with temperature-controlled goods, hazardous materials, or oversized cargo rely on your expertise and specialized equipment.</p> <p>Customer feedback : Reliability and on-time delivery: On-time delivery and meeting strict deadlines. Expertise in handling security-approved cargo: Transporting time-sensitive goods. Responsiveness in customer service, clear communication, and personalized attention.</p>
<p><b>Cost Structure</b></p> <p>Cost driven: Vehicle Acquisition and maintenance costs; Fuel and energy costs; Driver wages and benefits; Infrastructure costs; Technology and Software expenses; Insurance Premiums.</p>		<p><b>Revenue Streams</b></p> <p>Freight Transportation Services; Fuel Surcharge; Revenue generated from tolls; crossings; parking fees; Revenue from fleet maintenance.</p>		



# Double Materiality

In our commitment to transparency and accountability, we recognize the importance of addressing both financial and non-financial aspects in our Environmental, Social, and Governance (ESG) reporting. As part of this commitment, we incorporate the concept of double materiality into our reporting framework.

Our materiality assessment was conducted in 2023, and aimed to identify the significant aspects from 2022-2023 to be included in our report. During this process, we reviewed our value and supply chains together with the Executive Management and analyzed our largest stakeholders and their interests. We have conducted interviews with our key customers to gather their perspectives.

We have chosen to place our stakeholders in three categories, the first category, "dependency on company," is considered the most significant to materiality. The second category is "those at risk", and the third category consists of "decision-makers".

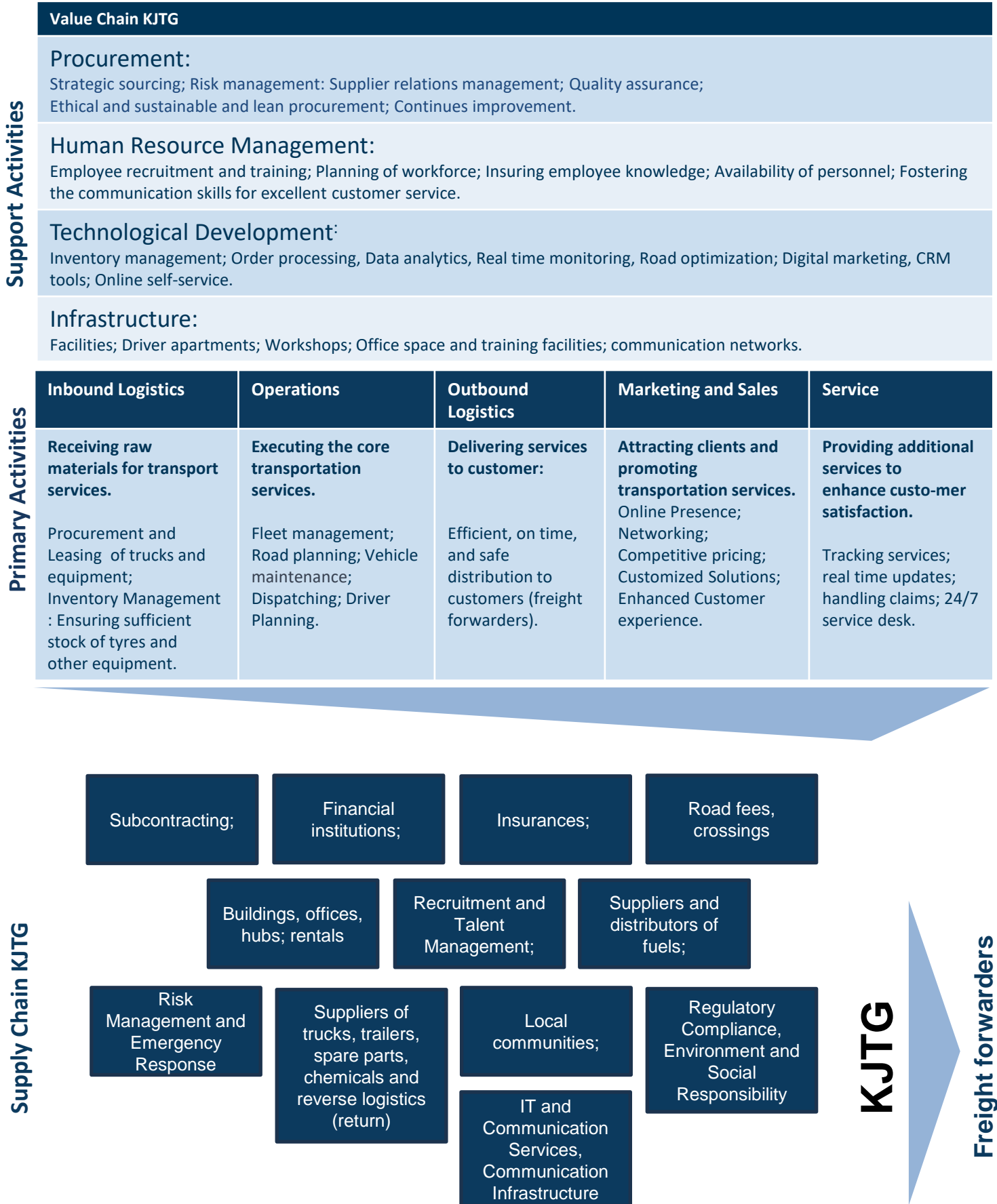
<b>1</b>	<b>Dependency on company</b>	We have chosen to prioritize those who are dependent on our business most. This includes dependency on employment, large customers who rely on our service.
	<b>Company's dependency</b>	We have evaluated the company's dependence on our stakeholders. In this category we place our employees; the key suppliers of equipment and fuel; Investors.
<b>2</b>	<b>Those in risk</b>	Transportation services are unavoidable part of most supply chains and currently there are no sustainable alternatives. To minimize environmental footprint and safety hazards we have chosen "those in risk" as second most important stakeholder group. These stakeholder groups include other traffic participants, local communities.
	<b>Company's risk</b>	Company may face risks caused by external factors. These might be regulatory changes; shifts in market, environmental disasters; risks of reputation and other factors uncontrollable by the company.
<b>3</b>	<b>Decision makers</b>	Our business runs following laws and regulations, therefore concerns of various authorities and political and financial institutions is third most important stakeholder group.

From our stakeholder assessment, we have identified 50 aspects, which were divided into 19 categories and ranked in importance from one to five.

To evaluate financial materiality, we also considered risks, likelihood and actuality of the aspect. The results of the assessment have been summarized in the materiality matrix illustrated on page 13.

We are continuously working to improve the procedures behind the materiality assessment to ensure we include relevant impact from all involved stakeholders.

# Value Chain & Supply Chain



# Stakeholder Engagement

	Group	Who	Engagement	Aspects of Interest	Opportunities	Threats
Employees	1	Drivers; Administrative employees; Workshop Employees.	Channels of Communication: Face to face; Internal platforms, newsletters, e-mail; Inclusive decision making in concern to routes, working hours, team members; Training and Development Programs; Recognition and Appreciation.	Safety and well being; Work-Life balance; Compensation and Benefits.	Employee retention and satisfaction: addressing the aspects of interest; Safety culture; Increased productivity: Opportunities for professional development, recognition and a positive work environment.	Safety hazards: Long hours, Irregular schedules; Decreased performance; Job dissatisfaction; Racism; Unequal opportunities.
Local Communities and Environmental Groups	2	Greve Industry area; Local stores; Traffic participants; Neighbors of our hotels, hubs and offices.	Community Consultations, Meetings, Events; Community Advisory Boards; Homepage; Forums; Networking Groups; Newsletters.	Climate impact; Job creation and employment opportunities; Community investments; Safety measures; Waste management; Pollution; Noise.	Community development projects; Local sourcing and procurement; Skill development programs; Cultural and Social Initiatives; Advocacy for Sustainable Policies; Environmental education and awareness.	Community Disruption: noise, pollution; Traffic congestion; Accident rates; Safety; Prejudices and racism.
Media and Public Opinions	2	Journalists; Activists; Researchers; Public figures.	Media relations; Press releases; Social media presence.	CSR; Safety and compliance; Community impact; Innovation.	Positive public relation campaigns; Media partnerships; Employee recognitions-	Negative media coverage; Public concerns and complaints and media backlash; Environmental impact; Unskilled workforce.
Government and Authorities	3	Civil servants; Regulators; Advisory committees; Police officers; Emergency services.	Regulatory compliance; Policy advocacy (engagement and dialogue); Reporting; emergency response.	Safety and compliance; Environmental Impact; Innovation and technology adoption; Job Creation; Economic impact.	Collaboration on infrastructure projects; Participation in a programs dedicated to sustainable practices and technologies; Alignment with industry trends.	Regulatory changes; Penalties and fines; Negative impact of new legislations; Accident rates; Terrorism and traffic disturbance; Natural disasters and diseases.
Suppliers of Products and Services	1	Suppliers of trucks and other equipment; Fuel suppliers.	Customer meetings; Performance reviews; Contracts and agreements; Branding; Joint innovation procedures.	Quality assurance; Timely delivery; Cost-effectiveness; Innovation and Technology; Sustainability and environmental impact; Flexibility; Customer service and support.	Supply chain optimization; Joint product development; Training; Technology integration.	Supply chain disruptions; Disasters; Trade risks; Cybersecurity threats; Intellectual Property risks.
Customers	1	Freight forwarders	Pricing; Continues communication and feedback; Face to face meetings; Performance Reports; Annual reviews; Meetings and Events; Social Medias; Home Page.	Reliability; Affordability; Convenience and Accessibility; Customer service; Quality; Performance; Transparency.	Technology Integration; Personalization; Expansion of services; Sustainability activities; Partnership and Collaboration; Customer Reward programs.	Competitive pressure; Regulatory Challenges; Infrastructure Limitations; Security Concerns; Economic Volatility.



# Risks and Impact

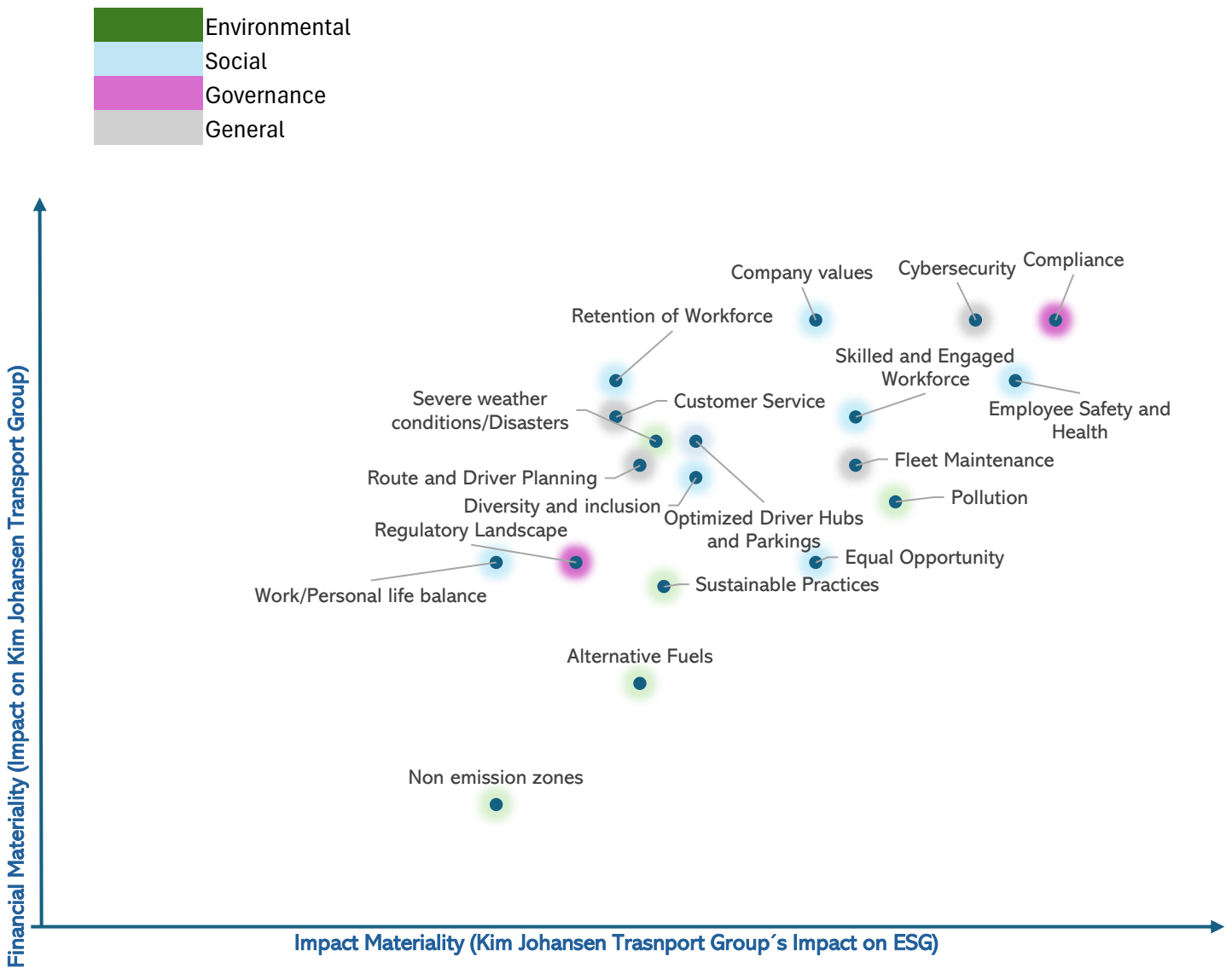
Impact*		Risk and Opportunity	Actuality
H	Compliance	Risks for fines, reputation damage and operational disruptions. While we work on mitigating the risks, it is crucial to ensure sufficient information fL and adaptiveness.	Actual
H	Cybersecurity	Risk of data breaches, financial losses, reputation damage.	Actual
L	Regulatory Landscape	Risk of political instability and regulatory changes, disruptions of supply chain.	Potential
M	Employee Safety and Health	Risks of workplace accidents and Injuries, risks of undermined workforce moral, trust, and culture.	Actual
M	Company Values	Opportunities of engaged and motivated workforce; Talent attraction and retention; Innovation and creativity.	Actual
M	Skilled and Engaged Workforce	Opportunities of adaptability and resilience; L injury rate; Positive customer experience.	Actual
M	Equal Opportunity	Risks of discrimination and bias; Diversity challenges; Undermined company values; Undermined Talend Acquisition and Retention.	Actual
M	Optimized Driver Hubs and Parking	Risks of traffic disruptions and delays; Safety concerns; Fines; Economic costs; Risks of L job satisfaction.	Actual
M	Diversity and inclusion	Risks of missed opportunities; Reputation damage; Employee disengagement	Actual
H	Retention of Workforce	Opportunities of employee development; Knowledge retention; Workforce flexibility and promotion of work-life balance.	Actual
L	Work/Personal life balance	Risks of burnouts; Stress and health issues; Strained relationships; Decreased productivity; Talent attrition.	Potential
M	Pollution	Risks of environmental degradation; Public health impact; Climate changes; Economic costs(cleanup efforts).	Actual
M	Alternative Fuels	Opportunities of emission reduction; Technological innovation; Sustainable development; Diversification. (Risks of infrastructure challenges; Technological limitation; Economic viability and regulatory uncertainty.)	Potential
H	Severe Weather Conditions/Disasters	Risks of economic and social disruptions; Infrastructure vulnerability.	Potential
M	Sustainable Practices	Opportunities of environmental conversation; Renewable energy transitions; Circular economy; Innovation and technology.	Actual
L	Non-Emission zones	Risks of displacement of pollution to surrounding areas; Additional costs due to logistical challenges.	Actual
M	Fleet Maintenance	Risks of vehicle breakdowns; Decreased environmental performance; H fuel consumption; Safety; Challenges with maintenance scheduling and management.	Actual
M	Route and Driver Planning	Risks of inefficient routing; Driver fatigue and safety; Compliance violations; Environmental impact.	Actual
H	Customer Service	Opportunity of enhanced customer satisfaction; Positive word of mouth; Innovation and growth; Competitive advantage.	Actual

\*High "H"; Low "L"; Medium "M".

# Double Materiality Matrix

After consolidating the results of our analysis, we obtained the following double matrix.

It reveals that most of the aspects identified are material for our stakeholders. In our report, we will address these aspects while considering the materiality under each category. While some of the materiality aspects can be placed under one of the main ESG categories, there are several aspects applying to multiple categories, those are placed in category “general”.



## SDG initiatives

KJTG has analyzed the SDG targets to find the ones we believe we have the greatest impact on. While several targets are important to KJTG, the most material targets are SDG3: *Good Health & Well-Being* and SDG12, *Responsible Consumption and Production*.

SDG targets have helped us to set a more focused direction on our sustainability strategy over the years and to ensure its relevance. In this report, we have combined them with the results of the materiality analysis and our ESG KPI's.

 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p><b>3.5 &amp; 3.6</b> Avoid sub-stance abuse and traffic accidents</p>	<p>To prevent accidents from happening, all drivers have a driving test before driving in KJTG. Training lasts between 1-4 weeks and is conducted by the most experienced drivers of KJTG. Drivers are tested again, determining the employment at the company. All newcomers receive introduction training, where rules of the company, conduct and expectations are explained.</p>
 <p><b>4</b> QUALITY EDUCATION</p>	<p><b>4.3 &amp; 4.4</b> increase employees relevant skills incl. technical</p>	<p>To raise qualification and use specific types of equipment like Swap Body trucks, or to qualify for driving the “25 m” trucks, training opportunities are offered to our best drivers. A safe work environment is an aspect we take seriously. All our drivers are ADR trained and have the knowledge and skills to understand the health and safety risks in the transportation of dangerous goods, so that it is safe both for the environment and health.</p>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p><b>8.3 &amp; 8.8</b> Development, labour rights, safe &amp; secure environment</p>	<p>To facilitate a stress-free start of the work, the new drivers are placed into double teams with our most experienced drivers. Since 2021 KJTG has reduced the driver turnover rate by 8 %.</p> <p>All our traffics are carefully planned ahead of time. To support our drivers on the road and customers with urgent assistance, our service desk is open 24/7.</p>
 <p><b>10</b> REDUCED INEQUALITIES</p>	<p><b>10.3</b> Equal opportunities for all and no discrimination</p>	<p>Employees at KJTG come from close to 20 different countries. Regardless of nationality, age, sex, religion, health etc., we have a fair-pay salary policy in line or above the standard wages typical to our market. We guarantee equal pay for work of equal value without discrimination. We are very consequent with our discrimination policy, connected close to our value of respect.</p>
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p><b>12.2 &amp; 12.5</b> Sustainable management, reduce CO<sup>2</sup> &amp; waste</p>	<p>We promote a culture, where recycling and awareness of the environment are valued highly. All our trucks are EURO6 compliable with up to 2,25 less NOx polluting compared to EURO5. Towards our drivers we have a non-idling policy, provide them eco-driving training with financial bonus each month. Recycling projects are i.e. selling back used and broken tyres for re-thread or recycling.</p>
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p><b>16.5 &amp; 16.b</b> Corruption, bribery and non-discrimination</p>	<p>KJTG demonstrates a zero-tolerance approach to corruption, extortion and bribery in all organizational levels. Code of Conduct is made available on our homepage to all our suppliers, sub-contractors and other stakeholders. To prevent any misunderstandings strict rules about accepting or offering any kind of favors, gifts or other services are set. During 2022-2023 there were no ethical misconducts coming to our attention.</p>



## ESG KPI's

The ESG regulation is in a transformational period these years.

Our ambition is to measure all the below KPI's during the coming years. The KPI's we are not yet measuring in full scale are i.e. CO<sub>2</sub>e-emissions for scope 2 and 3.

We are in the process for this to be measured at the latest by the financial year of 2025, when we as a company are covered by the ESRS standards for reporting.

General					
	Unit	2020	2021	2022	2023
Drivers Average	Qty.	635	757	709	689
Administration Average	Qty.	108	135	131	125
<b>Total</b>	<b>Qty.</b>	<b>743</b>	<b>892</b>	<b>840</b>	<b>814</b>
Trucks	Average qty	334	460	400	376
Average Age of Trucks by the Year End	Days	923	978	962	926
Average Amount of Trailers	Qty.	362	372	443	431
Total Distance Driven Own Activity	Mio. km	53	54,4	57,8	55,12
Total Distance Subcontractors	Mio. km	0,80	1,07	1,27	1,10

Emission					
Scope1					
CO <sub>2</sub> e Diesel	t.	33503,77	34381,46	37745,21	35584,9
CO <sub>2</sub> e BioGas	t.	0	0,09	0	0
CO <sub>2</sub> e LNG Gas	t.	1,19	150,22	255,71	359,13
CO <sub>2</sub> e CNG Gas	t.	0,04	41,53	0,02	0,04
<b>CO<sub>2</sub>e Total Scope1</b>	<b>t.</b>	<b>33505,00</b>	<b>34573,30</b>	<b>38000,94</b>	<b>35944,03</b>
<i>CO<sub>2</sub>e Emission Index Diesel</i>	<i>Index 2020</i>	<i>77,58</i>	<i>79,19</i>	<i>77,72</i>	<i>76,90</i>
Scope2					
CO <sub>2</sub> e Electricity	t.	51,82	54,13	55,18	54,3
Scope3					
CO <sub>2</sub> e Diesel	t.	8129,16	8342,12	9158,28	8634,11
CO <sub>2</sub> e BioGas	t.	0,01	15,84	0	0
CO <sub>2</sub> e LNG Gas	t.	0,42	60,65	88,50	124,29
CO <sub>2</sub> e CNG Gas	t.				
CO <sub>2</sub> e Electricity	t.	27,21	28,42	28,97	28,51
<b>CO<sub>2</sub>e Total Scope3</b>	<b>t.</b>	<b>8156,8</b>	<b>8447</b>	<b>9276</b>	<b>8787</b>

# ESG KPI's

Social	Unit	2020	2021	2022	2023
Accidents	Qty.	4	3	1	3
Days lost due to Injury	Days	106	288	90	111
Lost time Injury Frequency Rate	Rate	0,70	0,50	0,31	0,48
Lost time Severity Rate	Rate	88,30	168,82	33,57	63,90
Employee Turnover Rate Drivers	Rate	17,66	32,38	29,25	24,42
Other Employees	Rate	12,56	14,81	26,40	21,09
Employee Satisfaction Survey (Office/Management)	Scale 1-5	-	-	-	3,97
Training – Drivers	Hours	56	60	29	50
Training - Office	Hours	1,48	0,49	0,75	6,12

Governance	Unit	2020	2021	2022	2023
Whistleblower Cases Received and Handled	Group	0	0	1	0
Gender Diversity	Drivers	0,47%	0,40%	0%	1,02%
Gender Diversity	Office staff	38%	42%	42%	42%
Gender Diversity	Middle Management	20 %	20 %	16,67 %	20 %
Gender Diversity	Exec. Management	0	0	25 %	25 %
Gender Diversity	Board (ex. CEO)	25 %	25 %	20 %	20 %
Corruption	Cases	0	0	0	0

# Environmental Focus Area

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KJTG is dedicated to minimizing its environmental footprint and fostering sustainability throughout its operations. Acknowledging the environmental impact of the transport sector, we are resolute in our efforts to mitigate it. However, achieving this goal requires partnerships with colleagues, customers, suppliers, and other stakeholders.

## Ambitions for 2022-2023

- 30-35% of our fleet is renewed
- CO<sup>2</sup> index is sustained or improved.

## KPI actions and status 2022-2023

- **Collaborating with our customers** to develop transportation solutions that reduce greenhouse gas emissions. This has included implementing new more fuel-efficient trucks and optimizing routes in cooperation with our customers.
- **Engaging with our suppliers** to explore renewable energy sources and implement them, while also upgrading to more efficient equipment. Additionally, we've prioritized establishing new relationships aimed at securing long-term collaborations.
- **Internal training** of our drivers in eco-driving practices that include a more focused appreciation system to reward those that follow the procedures and techniques to drive environmentally friendly.



## Ambitions for 2024

- 25% of our fleet is renewed
- Greenhouse gas emissions from our trucks and operations is sustained at the current level or reduced;
- Efforts are made to reduce waste production by reusing, recycling, and composting whenever possible.
- Employees are educated about the importance of environmental sustainability and encouraged to adopt environmentally friendly practices in their work.

## Actions:

- Investments are made in new, more fuel-efficient trucks, and fuel efficiency is improved or sustained;
- Renewable fueling methods are investigated;
- Waste sorting is implemented in our hub in Greve, and we will investigate the possibility of other hubs joining;
- A Social employee App is developed to promote sustainability and raise awareness among drivers and office employees;
- ESG online classes are available for all;
- We have a renewed focus on the efficiency and effect of our driver ECO bonus program.



# Social KPI's

Employees at KJTG come from close to 20 different countries. Regardless of nationality, age, sex, religion, health, or other factors, we provide our employees fair pay in line with standard wages typical to our employment market and guarantee equal pay for work of equal value performed by women and men without discrimination.

## Ambitions for 2022-2023

The focus has been to strengthen the employer branding, recruitment process, people programs, training and development, and all other people processes. Including communication, branding, and ESG, to make sure KJTG has the right focus in the future, to attract, develop, and retain the right people and be the best place to work.

## KPI actions and status 2022-2023

1<sup>st</sup> of October 2022 we welcomed a People and Culture Director (CPO) as a new position, to make sure the ambitions got the right focus and attention. In 2023 we invested massively in the recruitment of drivers which has given us a unique position to develop our operational business, have more stability in our resources, and deliver better service to our customers.

In 2022-2023 we recruited 494 drivers and the Turnover Rate for our drivers by the end of 2023 has decreased to 25%.



## Ambitions for 2024

- The employer branding value is improved, and the group brand is aligned;
- A culture of life balance, open feedback, and continuous learning is promoted;
- Investment is made in the professional development of our employees;
- Efforts are made to find the right person for the right positions and to provide them with a platform to become the best version of themselves.

## Actions:

- The new website and updated KJTG branding are implemented;
- The Employee APP MyKim is implemented as the new training and communication tool;
- Company policies are aligned, and the employee handbook is made available for all office employees;
- The Online Platform MyKim is expanded to include all basic training from manuals to policies;
- Updated Onboarding is implemented in all offices, including extended driver training;
- Improvement in Employee MWQ score (meaningful work questionnaire), turnover rates, training and education participation rates, sickness rate, and continuous one-to-one reviews throughout the year with the closest manager are tracked.

# Governance KPI's

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Operating international transport in different countries requires a shared commitment to our core values, management processes, safety and working conditions as well as Code of Conduct of all KJTG activities and promoting and respecting human rights.

Our Ethical Conduct is a statement of our belief in ethical, legal and professional behavior in all our connections within and beyond KJTG, and is available on our homepage to external stakeholders and internal by MyKim APP.

## **Ambitions for 2022-2023**

We have a zero-tolerance approach to discrimination, corruption and bribery at all organizational levels, as well as a strong focus on improving the working conditions and creating a safe working environment for all employees. The ambition is to make our policies and governance structure clear for all stakeholders; both internal and external.

## **KPI actions and status 2022-2023**

We have a whistleblower channel to communicate any misconduct. During 2022-2023 we only received one report. This can be a sign of no cases to report, or that the channel is not easy to reach. This subject will therefore be an action for 2024.



## **Ambitions for 2024**

- Promotion of our values and diversity, inclusion, and equity policies is prioritized, fostering a sense of teamwork and collaboration by encouraging employees to work together across departments and levels of KJTG, communicate with respect, and take responsibility for their behavior;
- Our governance structure, responsibilities, and decision-making procedures are clearly communicated to all, including the board;
- Continual improvements in health, safety, and working conditions are ensured, along with equal conditions across all levels.

## **Actions:**

- Value and ethical campaigns, along with training, are integrated into MyKim, including psychological safety training in the MyKim academy;
- The promotion of the Whistleblower channel on MyKim is actively undertaken, with ongoing evaluation of the provider;
- Transparent responsibility and decision-making procedures are maintained throughout the organization;
- Work-related accidents are measured and analyzed, with regular updates to safety procedures across all our sites. Collaborative safety campaigns are conducted in partnership with relevant organizations;
- Training in HSE, ethics, risk management, etc., is readily accessible through our MyKim communication and training APP.

## Methods

ESG Indicators	Calculation methods for determining ESG indicator
General	
Drivers Average	A yearly average number of drivers under contract, calculated monthly
Administration Average	The number of administrative employees by the year end
Trucks	Average number of trucks calculated monthly
Average Age of Trucks by the Year End	The age of trucks by the year end
Average Number of Trailers	Average number of trailers calculated monthly
Total Distance driven, Own Activity	The total distance traveled by the company's trucks and drivers over the course of the year
Total Distance, Subcontractors	The total distance traveled by subcontractors estimated from the turnover
Emission	
Scope1	<i>Greenhouse gas emission from sources controlled by the Entity</i>
CO <sub>2</sub> e Diesel, tons	Per 1000 l diesel purchased * emission factor 2,51
CO <sub>2</sub> e BioGas, tons	Per 1000 kg BioGas kg purchased * emission factor 0,0052
CO <sub>2</sub> e LNG Gas, tons	Per 1000 l LNG Gas kg purchased * emission factor 1,16
CO <sub>2</sub> e CNG Gas, tons	Per1000 l CNG Gas purchased * emission factor 0,44
CO <sub>2</sub> e Total Scope1, tons	Total CO <sub>2</sub> e count for activities presented under Scope1
CO <sub>2</sub> e Emission Index diesel	CO <sub>2</sub> e index per 100 km driven, baseline index value of 100 in 2012
Scope2	<i>Indirect emissions associated with the generation of electricity, heat, or steam</i>
CO <sub>2</sub> e Electricity, tons	Per 1000 kWh purchased*emission factor 0,116
Scope3	<i>Indirect emission originating from sources not owned nor directly controlled by the organization</i>
CO <sub>2</sub> e Diesel	Per 1000 l diesel purchased * emission factor 0,609
CO <sub>2</sub> e BioGas	Per 1000 kg BioGas kg purchased * emission factor 0,5
CO <sub>2</sub> e LNG Gas	Per 1000 l LNG Gas kg purchased * emission factor 0,4
CO <sub>2</sub> e CNG Gas	Per 1000 l CNG Gas kg purchased * emission factor 0,1
CO <sub>2</sub> e Electricity	Per 1000 kWh purchased*emission factor 0,06
CO <sub>2</sub> e Total Scope3	Total CO <sub>2</sub> e count for activities presented under Scope3

## Methods (continued)

ESG Indicators	Calculation methods for determining ESG indicator
<b>Social</b>	
Accidents	Number of work accidents resulting in days lost due to injury
Days Lost Due to Injury	Total number of workdays missed by employees as a result of workplace injury
Lost Time Injury Frequency Rate	Number of work accidents * 200000 / Total number of working hours for all FTEs
Lost Time Severity Rate	Days lost due to injury*200000/Total hours worked
Employee Turnover Rate Drivers	Number of employees left/Average number of employees in year*100
Employee Turnovr Rate Other Employees	Number of employees left/Average number of employees in year*100
Employee Satisfaction Survey (Office/Management)	Proportion of employees satisfied with working at X - from employee survey
Training – Drivers	Total number of hours spent on training/number of drivers
Training - Office	Total number of hours spent on training/number of office employees
<b>Governance</b>	
Whistleblower Cases Received and Handled	Number of cases handled through our external whistleblower agreement
Gender Diversity Drivers	Female FTEs + female temporary workers) / (full-time workforce)) * 100
Gender Diversity Office Staff	Female FTEs + female temporary workers) / (full-time workforce)) * 100
Gender Diversity Middle Management	Female FTEs + female temporary workers) / (full-time workforce)) * 100
Gender Diversity Executive Management	Female FTEs + female temporary workers) / (full-time workforce)) * 100
Gender Diversity Board	Female FTEs + female temporary workers) / (full-time workforce)) * 100
Corruption	Number of corruption cases reported