

Sustainability report

2023

Best

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01 CEO letter

Mats Steen, Group CEO

Joined as CEO for Best Transport in August 2023

In summarizing 2023, we are very proud to present that 99.83% of all fuel refills for our approximately 750 vehicles in Sweden were fossil-free. This truly proves that our commitment to environmentally friendly transportation has become realized and true.

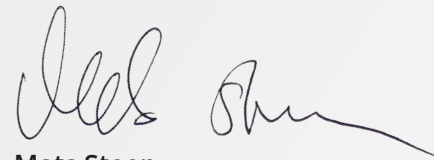
In 2023, we implemented our long-term sustainability plan, which is linked to the UN's global goals. Each country has its own goals connected to the sustainability plan, with the main purpose of focusing on efforts and measures that are central to each respective country.

An important goal for operations in Norway during 2023 was to obtain certification according to Fair Transport, something that our Swedish operation has held for several years. In October, Best Transport in Norway received the certification, something we are very proud of.

During 2023, Best Transport's consistent sustainability efforts resulted in a total reduction of CO2 emissions by 638.1 tons, which is a decrease of 13.5% compared to the previous year. This result is significantly better than the long-term goal of reducing emissions by 7% per year over time. A crucial part of our sustainability work is its control; therefore, in 2023, we completed the implementation of our fuel reporting system throughout the entire group, a crucial part of our monitoring and analysis efforts.

We have now entered into 2024 and our journey and commitment for environmentally friendly transports continues to develop. This year, we are investing into electrification, both in terms of charging stations at our terminals and electrified vehicles. We also widen our scope to include Norway in our environmentally friendly transportation strategy. Our goal is that we will increase the number of electrified vehicles significantly during 2024.

Stockholm 03/01/24



Mats Steen
Group CEO, Best Transport

254

Employees

7

Traffic control centers

10

Terminals

242

Haulage contractors

870

Vehicles

>8,500

Active corporate clients.

02 About Best

We are one of the leading last mile-providers in the Nordics with a turnover of over 1 billion SEK. On a daily basis we perform, with the help of innovative tech solutions, tens of thousands of fast and sustainable express deliveries and distribution missions specializing in logistics for E-commerce, Service logistics, and Healthcare logistics.



We have a strong local presence in Stockholm (HQ), Gothenburg, Malmö, Jönköping, Växjö, Oslo, Trondheim and Copenhagen. We are also represented in another twenty or so locations through our partners. It allows us to be close to our customers and to offer a significant infrastructure.



Our main owner

Through commitment and collaboration our main owner Nalka develops independent and long-term profitable businesses. Other owners in Best are members of our board as well as our management team. This ensures a high level of commitment to the company!

Environmental responsibility

We are at the forefront when it comes to transitioning to a fossil-free business. We monitor that all vehicles meet our tough environmental requirements. Our goal is to be the first last-mile provider with a fully electrified vehicle fleet!

Social responsibility

For us at Best, it is important to uphold good working conditions and to ensure fair conditions throughout our operations.

Governance

We have established a strong governance to ensure a solid financial foundation in our company. We always comply with applicable regulations.



03 ESG

Our business model is designed to ensure that all dimensions of sustainability benefit from our efforts and investments.

Our long-term sustainability plan is linked to the UN-established global sustainability goals. Based on our operations and our potential to make the greatest impact, we have identified relevant global sub-goals and developed the Best Group's sustainability initiatives along with associated sustainability objectives. Access our sustainability plan through our website (available in Swedish):

besttransport.se/foretag/best-hallbarhet/globala-malen/



04 Environmental responsibility



Climate reporting

Best Transport conducted its 2023 climate reporting according to the GHG Protocol for Sweden, Norway, and Denmark. The climate reporting included Scope 1, 2, and 3 emissions.

The climate reporting according to the GHG Protocol shows that 55.50% of our climate impact arises from the transportation tasks we perform. The table below shows changes over the period that Best Transport has reported according to the GHG Protocol.

Environmental policy

Environmental considerations are a natural part of the business process and are included in all decisions at Best Transport. Access our environmental policy through our website (available in Swedish):

besttransport.se/foretag/best-hallbarhet/best-miljoansvar/

Table 1. Displays the climate impact for Scope 1, 2, and 3 for each market and total.

Scope (ton CO _{2e})	2021	2022	2023	% of total 2023	Changes 2022-2023	Changes % 2022-2023
Scope 1						
Denmark	507.10	386.60	237.00	16.20%	-149.50	-38.70%
Norway	1 132.90	465.40	449.30	19.70%	-16.00	-3.40%
Sweden	2 608.70	124.20	28.60	0.70%	-95.60	-77.00%
Total	4 248.70	976.20	715.00	36.60%	-261.10	-26.80%
Scope 2						
Denmark	65.30	74.00	58.90	1.40%	-15.10	-20.40%
Norway	0	34.80	114.80	2.80%	80.00	230.00%
Sweden	72.90	98.20	127.20	3.10%	29.00	29.60%
Total	138.20	207.00	300.90	7.30%	93.90	45.40%
Scope 3						
Denmark	75.00	534.00	369.50	9.00%	-164.50	-30.80%
Norway	162.50	440.30	244.70	6.00%	-195.90	-44.50%
Sweden	2 807.80	2 578.70	2 468.20	60.20%	-110.50	-4.30%
Total	3 045.30	3 553.00	3 082.40	75.20%	-470.90	-13.30%
Total	7 432.30	4 736.30	4 098.20	100.00%	-638.10	-13.50%

Reduced climate impact

In 2023, Best continued to achieve a significant reduction in Scope 1 emissions, primarily due to Best Transport’s transition of the entire Swedish operation to fossil-free fuels (mainly through HVO100), as well as the increased use of electric cars in Norway and a decrease in operations in Denmark. However, we have observed an increase in Scope 2 emissions, attributed to expanded facilities in Sweden and increased emissions in Norway due to the choice of electricity supplier.

In the 2023 climate report, we expanded the boundaries within Scope 3. For the first time, the reporting includes employees’ commuting emissions. Despite this expansion, we have still managed to reduce emissions within Scope 3, primarily due to decreased business travel, coupled with the initiation of the transition to fossil-free fuels with our transport subcontractors across Sweden. In Norway and Denmark, the reduction is mainly attributed to decreased operations during the year.

In 2023, Best implemented our systematic solution for fuel reporting across the entire group and increased the number of electrified vehicles. In 2024, the main focus will be on accelerating the pace of electrification and ensuring minimal climate impact from our facilities.

KPI	2021	2022	2023	Changes 2022-2023	Changes % 2022-2023	Unit
Climate impact per employee	25.90	17.29	14.23	-3.06	-17.70%	t CO ₂ e/FTE
Climate impact per revenue	7.61	4.85	4.41	-0.44	-9.10%	t CO ₂ e/MSEK

Table 2. Key metrics for the total climate impact of operations from 2021 to 2023 using a market-based method. Changes since previous years are reported in both tons of CO₂e and percentage.

Fuel reporting

Since 2020, Best Transport in Sweden has been using a system for fuel reporting. We receive a fuel report for each charging and refueling session. To ensure the accuracy of fuel reporting, Best Transport regularly conducts random spot checks. As we summarize 2023, we can confirm that an incredible **99.83%** of all charges/refuelings were fossil-free in Sweden!

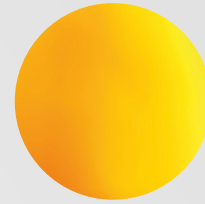
In 2023, fuel reporting was also conducted for each charging and refueling session in Best Transport Norway. An analysis shows that 16.27% of charges/refuelings were fossil-free in Norway in 2023. During the fall of 2023, fuel reporting was also introduced in Denmark. Throughout the year, Best also established fuel reporting for subcontractors and franchisees in Sweden.

Country	2021	2022	2023
Denmark	0	0	0
Norway	0	0	348
Sweden	742	2 056	3 446

Table 3. The volume of electric charges in Best Group from 2021 to 2023.



Respect for the human rights of our employees is ensured through collective agreements and numerous policies and procedures. We ensure compliance through our Code of Conduct together with performed affiliated carriers audits. Best Transport has a collective agreement with the Swedish Employers' Association for Transport Companies (Biltrafikens Arbetsgivareförbund).



Rights, as well as the responsibilities of employees and managers in the workplace, are described in various documents such as the occupational health and safety manual, the occupational health and safety policy, the alcohol and drug policy, and the traffic safety policy.

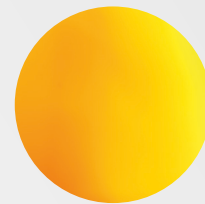
05 Social responsibility

Best Transport is a flat and agile organization, and our employees are one of our most valuable assets. The commitment to sustainability permeates our organization, and our employees actively contribute to achieving our lofty goals.

In addition to what is stated in this report, we assess that there are no further social risks present.



As part of our commitment to "ethical business conduct," Best Transport's stance on bribery and gifts has been clarified in the "Policy against giving and receiving bribes." We ensure compliance through our Code of Conduct together with performed affiliated carriers audits, as described on page 12 in this report.



At Best Transport, there is zero tolerance for discrimination and harassment. We have a discrimination policy that clearly delineates the boundaries. If an employee feels discriminated against or harassed, they should report it to their immediate supervisor or HR, after which actions are taken in accordance with established procedures.

Best Transport’s aim is to prevent serious workplace accidents that pose a danger to life and health. In 2023, five occupational health and safety incidents were reported, none of which resulted in fatalities.

No employee survey on occupational health and safety was conducted in 2023. This decision was based on a restructuring of the employee survey process.

At Best Transport, we also have a whistleblower service where employees can report irregularities completely anonymously. In 2023, 5 cases were received via WhistleB, all of which were handled according to implemented procedures and processes.

	2021	2022	2023
Total sick-leave rate <i>(% of total ordinary working hours)</i>	3,3%	3,7%	2,2%
Short term (<30 days) <i>(% of total total sick-leave)</i>	64,00%	45,00%	48,60%
Long term (>30 days) <i>(% of total total sick-leave)</i>	36,00%	55,00%	51,40%

Table 4. Sick leave Best Group.

	2021	2022	2023
Reported incidents/accidents	11	12	5
Whistleblowing reports	1	1	5

Table 5. Workplace safety numbers and Whistleblowing reports Best Group.



Core Values

The core values are the essence of our identity and a guiding light for our way of working. They stem from what we believe is right and what we stand for. Our core values consist of four keys:

Customer focus

The needs of our customers drive how we work and what we offer. We are always attentive to what affects us and our customers' world; we act thoughtfully and with sensitivity.

Innovation

We constantly seek new and effective solutions. By always striving to improve, we remain relevant to customers, employees, and partners.

Commitment

Interest in our customers and our business permeates every level of our operation. We lead and take initiative, we speak with credibility and knowledge.

Cooperation

Clarity, leadership, and community ensure that all employees feel involved and purposeful. It creates momentum so that we perform at our best and together achieve our goals.



Code of Conduct

Best Transport has compiled the ethical guidelines we are to follow in our Code of Conduct. This aids us and our subcontractors in acting correctly and making the right decisions. Our Code of Conduct addresses business integrity, human rights & social responsibility, environmental responsibility, as well as customer focus & collaboration.

You can access our Code of Conduct through our website:
besttransport.se/foretag/best-hallbarhet/socialt-ansvar/

Diversity, inclusion & equality

At Best Transport, we are in agreement that diversity is a key to success, and we believe that our workplace becomes more enriching when we, who work together, come from different backgrounds and everyone has the opportunity to speak up. We actively and continuously work to ensure that our employees come to our workplace and have the opportunity to grow, have fun - but above all, that they can be themselves!

At the end of 2023, we had 254 employees in the Best Group. Among these, 56 (22%) were women and 198 (78%) were men. The proportion of women in the group increased by approximately 3,4% compared to 2022.

Best Transport conducts an annual salary survey in Sweden. Based on the conducted salary survey in 2023, the assessment is that there are no salary differences between women and men that can be attributed to gender, but rather based on experience and geography. The next salary survey is scheduled to take place during the first quarter of 2024.

	2021	2022	2023
Number of women	51	51	56
Number of men	236	223	198
Total number	287	274	254

Table 6. Best Group number of employees and distribution between women and men.



	2021	2022	2023
Thriving in workplace (%)	90%*	90%*	91%
Highly rate Best as an employer (%)	85%*	85%*	84%
Would recommend Best as an employer (%)	82%*	82%*	85%

Table 7. Results Employee Satisfaction Index.

**Displayed results from survey conducted in December 2021.*



06 Governance

At Best Transport we have central governance to secure a sustainable business model. We have clear growth goals and closely monitor the company's performance. Audits are performed regularly to ensure high quality in our operations.

During 2023, we have, in accordance with our procedures, conducted risk analyses and updated our mitigation and continuity plans.

Haulage contractors & drivers

During 2023, Best Transport conducted ongoing audits of affiliated carriers, in accordance with the stipulations of our carrier agreements. Through our control system, we have ensured contract compliance and fair conditions among our affiliated carriers. The control system includes checks on F-tax, Payment of employer contributions, Traffic permits (BKY), Freight permits for each vehicle (BKY) and Driver's license qualifications (BKY). During 2023, all carriers, regardless of size, in our Swedish operations were subject to the requirement of collective agreements.

Best Transport's whistleblower service, WhistleB, is available to affiliated carriers and their drivers as a potential means to report any deviations. Reminders about the function have been sent out quarterly during 2023 in the Swedish and Norwegian operations. All cases are handled according to implemented procedures and processes.

Table 8. Whistleblowing reports haulage contractors and drivers.

	2021	2022	2023
Whistleblowing reports	4	3	4



Best Academy

For us, it is important to provide employees, affiliated carriers, and drivers with knowledge and know-how. In our training portal, Best Academy, we provide training in everything from fuel-efficient driving and basic environmental knowledge to the Code of Conduct and Customer Service. In Stockholm, Gothenburg, and Malmö, drivers also undergo driver training that includes all practical aspects of the profession. Follow-up on the completion rate is conducted monthly and presented to relevant parties. Example of courses included in Best Academy are:

- Fuel-efficient driving
- Customer service
- Deviation management
- Code of Conduct
- GDP & ADR 1.3
- Mission-specific courses



Innovation & tech

At Best Labs, we develop new innovative services within last-mile deliveries while further advancing Europe's most advanced traffic and route optimization technology. During 2023, the main focus of Best Labs' work has been the development of the Best Driver App - a tailored and groundbreaking tool for drivers aimed at ensuring Best Transport's prominent position in operational excellence.

With the Best Driver App, our drivers have a tool that provides clear instructions and updated information at every stage of the delivery process. This not only facilitates the work for the drivers but also enhances the delivery quality. Thanks to the Best Driver App, Best Transport will streamline operations in various areas:

- More efficient utilization of resources
- Shortened distances (average kilometers per delivery)
- More accurate Estimated Time of Arrival

07 Certifications & tools

Best Transport Sweden

- Through the tool **lagpunkten.se**, we stay updated on legislation across all areas relevant to our operations.
- Through **BKY**, we verify driver's licenses, traffic permits, and freight permits.
- Best Transport Sweden and Norway holds the transportation industry's sustainability certification, **Fair Transport**.
- We are certified according to Swedish Environmental Base & Swedish Quality Base through **SUSA** (Sustainable Standards).
- Thanks to our requirements for collective agreements Best Transport is recommended by the **Swedish Transport Workers' Union**.

Best Transport Norway

- Best Transport is a member of **NLF** (Norges Lastebileier-Forbund)
- Best Transport holds the transportation industry's sustainability certification, **Fair Transport**.

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