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Welcome to the Caljan Sustainability Report for 2022



Covering the 2022 calendar year, the aim of this report is to create value for all Caljan partners and stakeholders.

The report will follow progress as we strive to reach our realistic and ambitious sustainability goals. Subsequent reports will follow-up on goals achieved, and detail new goals we set to ensure Caljan continues to develop, as befitting the world's leading provider of Telescopic Conveyors and automated loading/unloading equipment. The new requirements

set by the European Green Deal will also be incorporated into our reports.

In line with the Global Reporting Initiative (GRI), our report is transparent. Since June 2022, we have committed to structure all sustainability tasks and set goals according to the Science Based Target Initiative (SBTi). This is done by gathering and analyzing data, setting obtainable goals, and acting upon these.

It should be noted that not all of our internal calculations have been

verified by a third party. In future, sustainability report calculations will be verified so we comply with the coming CSRD for large enterprises by 2024. Prioritized scope 3 emissions will be included in future reports too.

The 2022 Sustainability Report encompasses all Caljan sites with more than 10 employees. We strongly believe that every employee has a role to play in reaching our sustainability goals.

Enjoy.

Letter from CEO, Henrik Olesen

As the leader of Caljan, I take great pride in the exceptional performance of our company, which specializes in enabling logistics professionals to handle high volumes of loose cargo with remarkable efficiency. The past year has presented favourable conditions for growth, particularly due to the surge in e-commerce.

Being a part of the esteemed Latour Group grants us the advantage of a robust network of sister companies and a solid financial foundation. Moreover, Caljan actively engages in sustainability initiatives within the group, including participation in the Latour Sustainability Forum and an annual Sustainability Day for all Latour companies. These platforms foster regular exchanges of thoughts and ideas among employees across the Latour Group.

An important milestone for the Latour Group was signing the UN Global Compact in 2021. This agreement solidifies our commitment, alongside all Latour companies, to operate our businesses in accordance with the Ten Principles encompassing labour, human rights, anti-corruption, and the environment.

In our inaugural Sustainability Report for 2021, I highlighted the paramount significance of the Caljan Sustainability Wheel as a guiding framework in our relentless pursuit of becoming a truly sustainable company. Comprising three essential dimensions—Environmental, Social, and Governance—this wheel serves as the pivotal force propelling our journey towards sustainable excellence.

In line with our emphasis on renewable energy, we have expanded our selection of UN Sustainability Development Goals (SDGs) to include SDG 7, alongside our existing SDGs 8, 12, and 13. Our dedication to sustainable energy is evident in our Latvian facility's utilization of 100% renewable electricity and our newly constructed, BEG 40 approved facility in Halle, Germany. We have also conducted thorough assessments to identify suitable locations for solar panel installations, scheduled for implementation in 2023, further reinforcing our commitment to sustainable practices.

In 2022, our focus on data gathering and analysis has validated our priorities. Committed to the Science Based Targets initiative, we strive to reduce emissions by 50% before 2030 and achieve net-zero by 2050. Our evidence-driven approach ensures precise measurement of results, driving us towards a sustainable future.

Our commitment to ethical business practices and equal respect for all individuals was solidified in 2021 through the establishment of an employee Code of Conduct. Building upon this foundation, we have extended the same standards to our suppliers, ensuring alignment across our entire supply chain. Furthermore, our concern strategy for 2023-2025 now incorporates non-financial targets, reinforcing our holistic approach to sustainable growth and includes;

- **Ratio of female managers in both executive and total management increased to >20%**
- **Lost Time Injury frequency rate reduced to 5.0**
- **Scope 1+2 emissions reduced to 1645t CO2**

Caljan has significantly increased the utilization of the Ecovadis platform, both internally and among our valued customers. This system now assesses HQ and all group subsidiaries with 10 or more employees. Notably, our collective efforts have earned us three silver medals and two gold medals to date. Looking ahead to 2023, our objective is to attain gold recognition for Caljan A/S.

In the past year, we expanded our strategic approach to include risks and opportunities and additionally enhancing safety and environmental reporting, by successfully incorporating a Global Safety and Environment Reporting Platform within our IPW system. This platform now plays a vital role in our QHSE strategy.

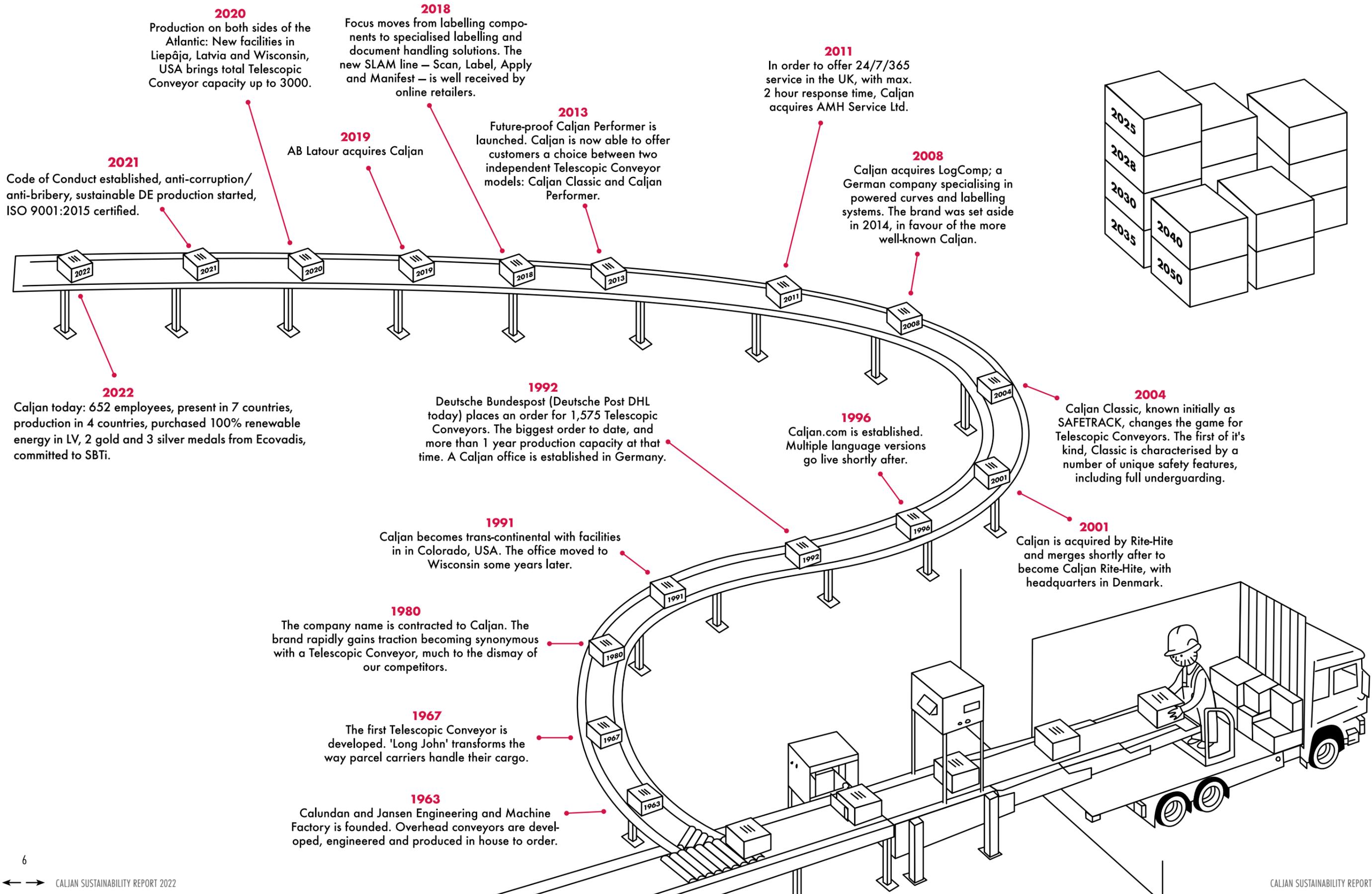
In this Sustainability Report, we are pleased to highlight Caljan's proactive measures to safeguard our planet. Our dedicated focus in 2022 has been on the implementation of ISO 14001:2015 and 50001:2018 requirements, with the goal of achieving certification in 2023.

Sincerely,
Henrik Olesen, Chief Executive Officer

Performance in 2022

<p>Ecovadis Platform:</p> <p>2020: No establishment.</p> <p>2021: Bronze medal awarded.</p> <p>2022: 2 gold & 3 silver medals awarded.</p>	<p>Strategic Safety Campaign:</p> <p>Improved and expanded in 2022.</p>	<p>Implementation of ISO 14001:2015 and 50001:2018 requirements (ready for certification in 2023)</p> <p>2021: no sites 2022: 2 sites</p>	<p>Supplier Code of Conduct</p> <p>Introduced to 90% of all strategic suppliers</p>	<p>High focus on renewable electricity</p> <p>2021: 4% 2022: 63%</p>
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History of Caljan



Sustainability Priorities

In 2021, we established our inaugural stakeholder and materiality analysis, which served as a solid foundation for initiating our sustainability journey. Building upon this foundation, we have taken significant strides in 2022.

Following the creation of our stakeholder and materiality analysis, we formulated an initial roadmap for success. This involved delineating our desired goals, determining the path to achieve them, and identifying the starting point. Subsequently, we began measuring our data to incorporate sustainability principles into our Code of Conduct. Fortunately, aligning sustainability with our existing values was a seamless process, as Caljan has always prioritized equality, respect, responsible action, and positive change. While the backbone of our sustainability practices was already robust, we continuously scrutinized every minute detail to identify areas where improvement was possible.

In 2022, this endeavor extended beyond outlining our priorities as per our stakeholders and government requirements. We delved deeper into our data and made the commitment to the Science Based Target initiative (SBTi). Our data collection processes already aligned with the Global Reporting Initiative (GRI), and now we sought to take the next step in our environmental endeavors. Although we made our commitment to SBTi prior to the release of version 5.0, which integrated the Net-Zero Standard, it does not imply that we will not embrace it as well. With this commitment, we can now set our targets based on scientific foundations and strive for sustainable change.

By collating data on all emissions and adopting a cradle-to-cradle design approach, we analyze the entire lifecycle of our operations, from raw materials to product manufacturing, transportation, usage, and waste reduction through material reduction and reuse. Our commitment to SBTi is an exciting prospect, and we eagerly anticipate defining our targets and working towards halving our emissions by 2030, while also achieving net-zero emissions well before 2050.

HIGHLY PRIORITIZED TOPICS:

ENVIRONMENTAL FREIGHT

- CO₂ emissions
- Renewable energy
- Energy consumption
- Emissions to air and water
- Waste
- Raw material use (hazardous products)
- Hazardous waste
- Recyclable products
- Water consumption
- Packaging materials

SOCIAL

- Diversity and equality
- Workplace accidents

GOVERNANCE

- Supply chain management
- Distributor and Agents sustainability – Code of Conduct
- Environmental management systems



Sustainable Development Goals (SDGs)

Being a part of the UN Global Compact, Caljan supports the Ten Principles on human rights, labour, environment, and anti-corruption. Already integrated in our strategy, these principles will become fundamental when defining broader goals such as SDGs

To play our part in making the Earth a better place to live, we have decided to place our focus on the following 4 SDGs:

- > **7:** Ensure access to affordable, reliable, sustainable, and modern energy for all.
Focus: Become more energy efficient, produce and use renewable energy (100% by 2030)
- > **8:** Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.
Focus: Safety campaign and procedures, Code of Conduct
- > **12:** Ensure sustainable consumption and production pattern
Focus: Waste handling and reduction, Recycling, Efficiency
- > **13:** Take urgent action to combat climate change and its impacts
Focus: Education and Awareness



Caljan ESG Wheel

The Caljan Environmental, Social and Governance (ESG) Wheel is the result of a process, gathering many great ideas and knowledge on the road to a greener and safer destination. All three parts of the ESG wheel must be in balance, as the core concept of sustainability emphasizes the interrelation between Environmental, Social and Governance.

At Caljan we know that employees who have equal rights, good physical and mental health, the opportunity to grow and who are empowered to take decisions, make the organisation stronger, so we can manage adversity and cope with change.

Our high standards are reinforced by a Code of Conduct for both employees and suppliers. Expectations when interacting are clear.

To further reduce, and eventually eliminate, our GHG emissions, we must also reduce our consumption and waste, and change our sources of electricity to renewable ones. We acknowledge that the transition to 100% renewable energy will take time. However, our progress so far indicates that a positive change is inevitable.

A strong strategic model is essential to keep the wheel rolling. A hole anywhere in the tyre will result in complete deflation. To provide a bolster, the ambitions we set are high. By having an even focus on the three ESG components, we keep the wheel balanced, prevent wobbling and ensure constant movement towards our goals.

Key Performance Indicators (KPIs)

The KPIs we have set all pertain to one of the ESG categories, aligned with GRI. They help keep us focused, warning of roadblocks that must be cleared, so we can reach our destination successfully. The KPIs relate to our focus SDGs. To maintain the balance of our ESG Wheel (page 11), each SDG is referred to an equal number of times in the KPIs. So far, we have set 4 KPIs relating to Environmental, 3 for Social, and 1 for Governance.

At Caljan we are aware that we impact the environment, which makes us very keen to see results. This is evident in our first four KPI's, all of which relate to SDG 7, 12 and 13:

Environmental	2022	Goal	Goal 2025	SDG
Energy Consumption	12.225,1 MWh	-5% annually/net sales	-5% annually	
Energy Mix	1996 MWh (63%)	100% renewable electricity by 2030	75%	
CO ₂ Emissions scope 1 & 2	2014,2 tons	-5% annually/net sales 50% reduction by 2030 100% eliminated by 2050	1645 tons	
Environmental certified manufacturing sites ISO 14001:2015	0	Denmark and Latvia will be certified in Q2 2023	100% of manufacturing sites will be certified by 2025	



1 Energy consumption

To reach net-zero emissions, we must be resolute. Our headquarters and our largest manufacturing site will be certified according to ISO 50001, to ensure that we continually improve our efficiency and avoid unnecessary energy consumption. Our goal is to reduce consumption by a minimum of 5% annually in relation to net sales.



2 Energy mix

As our operations require energy, we will support Sustainable Development Goal No.7, ensuring energy is clean and affordable. By 2030 fossil fuel will be replaced by 100% renewable electricity.



3 CO₂ emissions

To find an absolute measurement for greenhouse gas emissions, we measure emissions in CO₂ equivalents. Within scopes 1 and 2 we will reduce emissions by 20% by 2025 and 50% by 2030, compared to 2021 measurements. Scope 3 goals are yet to be made. Net Zero in accordance with SBTi shall be reached no later than 2050.



4 Environmental certified facilities

An integrated management system compliant with ISO 14001:2015 has been established to ensure a fact-based and proactive approach. We will obtain certification for our sites in Latvia and Denmark in the spring of 2023. All production sites with +10 employees will be certified no later than 2025.

Our focus goes beyond the climate. Our last four goals are related to SDG 8 and focus on Governance and Social. They all work to ensure a healthy, safe, and diverse working environment:

Social	2022	Goal	Goal 2025	SDG
Gender ratio	11%	>20% female managers by 2025	>20%	
Lost Time Injuries (LTI) (previously called "Workplace accidents")	14.1	Vision Zero for LTI Frequency rate	<5%	
Hazards (previously called "Near Misses")	86	Proactive measures	<100	

Governance	2022	Goal	Goal 2025	SDG
Code of Conduct	✓	Ensure all are trained regularly	✓	
Supplier Code of Conduct	>90%	Introduced to all strategic suppliers and partners	All A+B suppliers	



5 Gender ratio

In 2022, 11% of our leaders were female. We aim to increase to >20% female leaders by 2023, as diversity and equality are important values for us. We believe that increased gender diversity secures different perspectives and enhances collaboration throughout the organization.



6 Workplace accidents

Safety is part of our DNA. In all we do, we prioritize safety. We care for our employees and want everyone to return home after work safely and in good health. Therefore, we have a Vision Zero regarding Lost Time Injuries (LTI).



7 Workplace safety

Vision Zero does not happen without commitment and action. We can reduce and prevent work-related accidents by building a strong safety culture focused on potential hazards. We learn from experience and use our knowledge to prevent hazards before they turn into accidents, ensuring continuous improvement.



8 Code of conducts

All employees have been trained in our Code of Conduct and ethics policies. We demand the same high ethical standard from our suppliers and partners, incorporating sustainability measures into our Supplier Code of Conduct. The Code of Conduct ensure that our entire supply chain is aligned with customer expectations. They also help us minimize environmental impact and comply with legal and regulatory requirements.

ISO Certificates

The International Organization for Standardization, ISO, has created certificates in each field to ensure a predetermined standard is maintained in every work- place. At Caljan we want to be more than a standard, we want to continue to be the best at what we do.

Therefore, we have set goals and developed a strategy to reach certification, based on our identification of where we can make the largest difference for People and Planet.

Our obtained certificates and the ones we plan to be certified in over the next few years:

Environmental Management System

The process to obtain ISO 14001:2015 certification is underway. The Caljan production facilities in Latvia and Denmark will be certified by Q2 2023.

All manufacturing sites will be certified no later than 2025.

Energy Management System

In addition to the Environmental certification, Caljan Latvia, our largest manufacturing site, and Caljan Denmark, our HQ, are scheduled to be certified in accordance with ISO 50001:2018 Energy Management in Q2 2023.

Quality Management System

In 2021, Caljan was awarded ISO 9001:2015 certification in Denmark and Latvia. The goal is to become certified in the US, UK and Germany no later than 2024.

Ecovadis

2021: bronze medal in Denmark
2022: silver medal in Denmark, UK and Latvia, gold in United States and Germany.

By using the Ecovadis platform, we benchmark our sustainability efforts with those of other companies within in the following four themes: environment, labour and human rights, ethics, and sustainable procurement.

The bronze medal in 2021 for our HQ in Denmark was a good start on our sustainability journey. By improving our efforts, our HQ in Denmark advanced to a silver medal in 2022. Caljan UK and Caljan Latvia were also awarded the silver medal in 2022, indicating that all three sites belong to the top 25% of all registered companies. Even better results were reached in Germany and the US: Both sites were awarded gold medals in 2022, indicating that they belong to the top 5%.

Our next goal is to receive a gold medal for our headquarters in Denmark by 2025.



Environmental

Goals

It is all about the Planet. How the biosphere is impacted by everything from atoms to molecules, to humans and their interactions.

Our Stakeholder and Materiality Analysis provided valuable insights into our key areas of impact and guided us in allocating our resources effectively. With our commitment to Science Based Targets (SBTi), we embarked on a comprehensive examination of the finer details to gain a holistic understanding of our operations and identify the most significant opportunities for positive change.

By embracing SBTi, we not only demonstrate our dedication to sustainability but also express our support for the Paris Agreement. This international accord emphasizes the urgent need to limit the global temperature increase to well-below 2 degrees Celsius compared to pre-industrial levels, with the revised target now set at 1.5 degrees Celsius. We are fully committed to meeting and exceeding this standard to the best of our abilities.

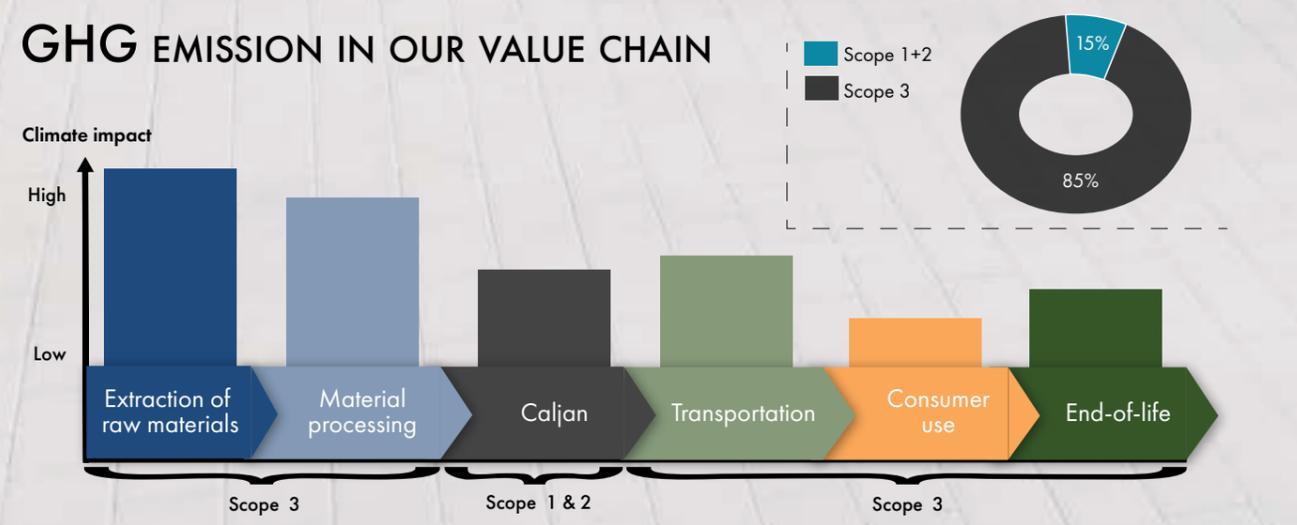
Furthermore, we are actively pursuing the goal of achieving 100% renewable electricity consumption by 2030, accompanied by a 50% reduction in emissions. Our ultimate aim is to attain net-zero emissions by 2050. These targets are ambitious yet realistic, considering our ongoing progress. By implementing measures that lead to a 20% reduction in Scope 1 and 2 emissions by 2025, we are confident in our ability to steadily advance towards these milestones.

Behind SBTi, and part of our Ecovadis score, is the data. Our GHG emissions are determined by identifying, collecting, analyzing, and reporting data, categorized into upstream, midstream, and downstream emissions. Upstream entails the extraction of raw materials and material processing. Once the materials arrive at the production site, it moves from scope 3, upstream, to scope 1 and 2 as midstream emissions. Product manufacturing, and the Caljan headquarters, belongs to midstream emissions. Although this is a crucial part of our industry, we know, that it emits less than 10% of our total GHG emissions. As our products leave our production site, we move to downstream emissions where transportation, use and end-of-life are the main categories within scope 3.

Following the analysis of our Scope 1 and 2 emissions, we are now turning our attention to incorporating our largest emitter, Scope 3, into our calculations. While obtaining data for the first two scopes was relatively straightforward, involving readings from our electricity bills and gas consumption, addressing Scope 3 presents a considerable challenge. Nevertheless, we have successfully set goals and achieved significant progress in relation to Scope 1 and 2 emissions. Scope 3 remains an ongoing endeavor, as we diligently examine the complete lifecycle of our products. This comprehensive approach allows us to thoroughly assess the various stages of our operations and identify areas where we can make substantial improvements. Read more about specific lifecycles for our products under "Lifecycle Analysis" on page 18.



GHG EMISSION IN OUR VALUE CHAIN



Carbon Footprint and Life Cycle Analysis (LCA)

What is a Carbon Footprint?

By quantifying all three scopes of emissions and adding them together, the total carbon footprint of any entity is found. The three scopes include all direct and indirect emissions a company has including downstream, midstream, and upstream activities. This is a helpful tool to find the total impact a company has on the Planet as well as finding focus points to better reduction-strategies.

What is a Life Cycle Analysis (LCA)?

The total environmental impact of a product is determined by analyzing the entire life cycle. This includes resources, processing, transportation, manufacturing, usage, and what happens with the product after usage.

Our Carbon Footprint and LCA

In 2022 our CO2 emissions were 2014,6 ton from scope 1 and 2 only. As mentioned, this constitutes less than 15% of our total emissions. Our Carbon Footprint is larger than calculated. However, we are working on including all the phases from our lifecycle analysis, i.e. our downstream, midstream, and upstream activities

Life Cycle Analysis

Caljan has prioritized producing sustainable conveyors since the company was founded in 1963. The impact our products have on the environment is mapped from raw material to disposal, or recycling, through an LCA. By examining our entire scope, areas of improvement become apparent. In addition to reducing the Carbon Footprint of individual products, we become aware of which products emit least CO2 emission during the lifetime.

Following the guidelines of ISO 14040 – ISO 14043, our phases for the environmental assessment are:

- Material phase
- Production phase
- Use phase
- Transportation phase
- Disposal phase

Although challenging, dematerialization is necessary when large quantities of steel are used, as this is a carbon intensive material. To reach our goals, we have begun investigating fossil-free steel solutions. Although still in the development phase, we fully support this concept and are in close dialogue with our suppliers to follow their progress. The circular economy business model we deploy focuses on

reducing, as we are producing. Extending the use phase has always been a key factor for Caljan, evident by the number of Caljan Telescopic Conveyors still in use 30 years after they have been produced.

For the transportation phase, we constantly work on optimizing freight to reduce the volume of shipments relative to the quantity of conveyors sold. This resulted in a freight reduction of 33% for our Telescopic Conveyors sent from Latvia to the USA in 2022.

Finally, we have the disposal phase. The simplistic build principle that we apply to the use phase, enabling the lifetime to be extended by easily exchanging worn parts, is an important factor in the disposal phase too. The User Manual describes how parts can be extracted, recycled, reused or disposed of. It is, however, difficult to track this process, as ownership of the product has changed hands. Iron, the main



component in Caljan Telescopic Conveyors, is infinitely recyclable. This means it does not lose value by being reused, which makes it highly desirable from a sustainability point of view.

By manufacturing our products using robust, recyclable materials that are easy to separate, we ensure higher durability, reaching maximum potential of resources used. With these improvements we benefit people, planet, and profit.

The circular economy business model we deploy encompasses sourcing raw materials, extending or upgrading and disposal or recycling. It also helps us to develop an LCA, providing the opportunity to label our products with an Environmental Product Declaration (EPD) in future. An EPD will make it easier for customers to choose an environment-friendly Telescopic Conveyor. Opportunities for getting EPDs will be analyzed during the coming years, and prioritized, if this proves to be a stakeholder requirement.

Environmental and Climate Actions

At Caljan, we recognize the gravity of the evolving climate situation and are deeply committed to driving positive change. As a player in the Industrial Goods sector, we understand the significant role we can play in making a substantial impact. It is essential for us to gain a comprehensive understanding of our products' lifecycle through analysis, enabling us to conduct a hotspot assessment and identify key areas of focus. As mentioned previously, our commitment to the Science Based Targets initiative serves as a critical framework for setting our goals. This commitment ensures that our environmental objectives are developed based on robust scientific analysis and guided by industry professionals. While our current goal setting encompasses Scope 1 and Scope 2 emissions, we are actively working to expand our efforts to include Scope 3 emissions. Throughout the process of data collection, goal establishment, and implementation, we have identified numerous areas within our operations where improvements can be made. These findings further strengthen our resolve to drive positive change within our business.

Dematerialization

The carbon footprint of materials is significant. Not only because of the material itself, whether it is plastic, steel, or something else, but also because materials are transported, packaged and processed etc. Buying in bulk to reduce transportation and packaging is balanced by having sufficient stock to produce and deliver to customer expectations. This task is made easier, as many parts are common to multiple products.

Durability

The durability of Caljan Telescopic Conveyors means longer intervals between replacement, which in turn means less material is used. The durability of Caljan Telescopic Conveyors is scientifically verified by using Finite Element Analysis (FEA). Analyzing strength using this software program, enables us to reduce the demand for multiple physical prototypes during product development. FEA is naturally combined with decades of experience with material thresholds and exact load cases. Highly Accelerated Life Testing (HALT) is also used during development. This is a stress-method, where a Telescopic Conveyor runs with a full load for a full lifetime, or until failure. The root cause of failure is determined, analyzed and corrected.

This circular process is repeated to ensure all new Telescopic Conveyors – whether for serial production of specific customer applications – are robust with a long life expectation.

Improve Waste Management

Efficient waste management plays a pivotal role in our journey towards a more sustainable future. By implementing effective waste management practices, we not only align ourselves with our sustainability goals but also minimize our environmental impact and contribute to the development of a circular economy. In line with our commitment to dematerialization, we have taken steps to prioritize the reuse of packaging materials instead of solely relying on recycling. Specifically, we are focusing on reusing PVC bubble plastic and other durable plastics for corner protection of pallets and equipment. This approach not only reduces waste but also promotes resource conservation. Furthermore, as part of our ongoing efforts to enhance waste management, we made strategic investments in 2022 by acquiring and implementing cardboard presses. This solution not only saves time, money, and space but also significantly reduces the amount of waste that ends up in landfills. Our target is to achieve 100% recycling of packaging materials by 2030. In the year 2023, we will actively explore opportunities to establish a solvent distillery, which will serve as a crucial measure to address solvent-based waste and its associated CO2 emissions. Through this initiative, we aim to further mitigate our environmental impact and promote sustainable practices within our operations.

Energy Consumption

We acknowledge the significance of responsibly managing our energy consumption to ensure efficiency and sustainability. To this end, we have made strategic investments in energy-efficient technologies and practices that align with our commitment to reducing our energy usage and promoting a greener future.

As we delve into assessing our energy sources, we have begun exploring sustainable alternatives to our current energy usage. Our aim is to minimize energy consumption while still maintaining optimal production levels and ensuring a safe working environment for our employees. For instance, we have identified a substantial energy consumption in the painting area, which involves heating the paint, ventilating the booth, and drying areas after painting. To address this, we

have implemented a circular ventilation system that recycles a portion of the heat instead of discarding it entirely. While we recognize the potential for further development in this circular approach, it represents a positive step forward. Additionally, we have extended the implementation of this idea to other buildings within our organization when renovating or constructing new facilities.

Another significant stride towards energy efficiency is the transition to LED lighting across all our sites, replacing traditional incandescent light bulbs. LED bulbs have demonstrated energy savings of over 75%, offering substantial value to our operations.

Furthermore, we have taken measures to enhance energy efficiency at our manufacturing facility in Latvia. By installing high-speed motors on the four gates, we have achieved remarkable improvements. Previously, the slower operation of traditional gates led to heat loss and inconsistent temperatures, resulting in higher energy consumption for heating. With the installation of high-speed motors, the gates now open and close swiftly, reducing the duration during which heat can escape the building. Through careful calculations, we have determined that this energy-saving upgrade saves approximately 100 MWh of energy each winter, considering the significant square footage covered by these gates.

These initiatives reflect our dedication to optimizing energy management and fostering sustainable practices throughout our organization.

100% Renewable Energy on biggest site

The transition to renewable energy sources holds paramount importance in our pursuit of a sustainable future. It is not only mandated by regulations and supported by scientific evidence, but it is also reflected in our ambitious goals and concrete actions. Achieving a net-zero future hinges upon a decisive shift towards renewable energy. Therefore, it brings us great pride and satisfaction to announce that as of January 1, 2022, we have successfully transitioned our largest and most carbon-intensive site in Latvia to 100% renewable energy procurement.



Our goal is to attain 100% renewable electricity across our operations by 2030. We have already taken significant steps towards realizing this vision by adopting renewable energy sources at our facility in Latvia. Additionally, we have made substantial progress by installing solar panels on our building in Halle, while concurrently enhancing energy efficiency measures. This rapid advancement reinforces our commitment to achieving our renewable energy goal. Looking ahead, our next strategic move involves generating our own electricity at multiple sites. The source and transportation of the electricity we procure are critical factors in our endeavor to reduce scope 1 and 2 emissions. These endeavors manifest our unwavering dedication to promoting renewable energy adoption and minimizing our environmental impact.

Biofuel:

Fossil fuels, like unleaded fuel and diesel, are used by Caljan service vehicles, when delivering to/from production as well as in equipment used for production and in the hydraulic systems of the Telescopic Conveyors themselves. We are looking at completely eliminating fossil fuels, reducing our scope 1 emissions by nearly 49%. As fuel derived from biomass becomes more readily available, we may be able to replace fossil fuel derived oils with biofuels in the future. We are actively encouraging our partners to reduce the use of fossil fuels when transporting our goods and products.

In 2022 Bio Oil was approved as our substitute on our machines. This meaning that we for the future will change our oils to bio oils.

ECO Belt:

In our pursuit of operational efficiency, we have identified a significant opportunity to enhance the performance of the belts on our machines, which operate for extended durations each day. Recognizing the potential benefits, both from a cost-saving perspective for our customers and a positive environmental impact, we have explored a new option to optimize belt efficiency.

To thoroughly evaluate the efficacy of this innovation, we conducted rigorous testing of the new ECO Belt within our factory and deployed it at customer sites, considering all relevant factors. This comprehensive approach allowed us to gain invaluable insights into the belt's efficiency and performance. By opting for the ECO Belt over our conventional belt, our customers can realize substantial energy savings of up to 10% in their machine's electricity consumption. This represents a significant reduction in operating costs and contributes to a more sustainable use of resources.

Our commitment to continuous improvement and delivering value to our customers drives us to explore innovative solutions that not only enhance operational efficiency but also align with our environmental stewardship goals. The introduction of the ECO Belt exemplifies our dedication to providing sustainable and cost-effective options to our valued customers.



New, more efficient buildings

As the Caljan Group continues its growth and development, the need for additional space becomes evident. This is exemplified by our recent moves to new locations in Milton Keynes, United Kingdom, Latvia, and Halle, Germany.

In January 2023, we will transition to a new building in Latvia, where we are excited to announce the launch of our Academy in February. The Academy will provide comprehensive training for new employees in the aftermarket department across all countries, focusing on preventive measures and emergency repairs. In line with our commitment to sustainability, we opted to acquire an existing building constructed in 1991 and preserved its foundation. To ensure effective insulation, we enhanced the concrete walls with a layer of 200 mm rockwool and added a steel façade. The building incorporates water heating pumps for efficient heating, and the combination of excellent insulation and domestic heaters ensures optimal energy use. In addition, the facility boasts amenities such as showers, changing rooms, and a cafeteria, providing a comfortable and conducive working environment. With a total area of 1500 m², the new building accommodates our evolving needs.

In Halle, we have significantly expanded our capacity with a new 6100 m² facility, representing a sixfold increase compared to our previous location. When we established the Document Handling & Labelling division in 2008, we recognized the need for a new building. While we generally prioritize the preservation and enhancement of existing facilities as a sustainable practice, the limitations of our previous site compelled us to seize the opportunity and construct a new facility with sustainability at the forefront of our design considerations. The completion of the new facility occurred in August 2022, and it now serves as a hub for both production and administration. Notably, the building's sustainable features have been approved according to the BEG 40 standards, a German governmental program ensuring energy efficiency.

These strategic relocations and expansions reflect our commitment to providing optimal facilities that support our growing operations while adhering to our environmental goals.



Heat recovery used to ventilate administration.

12 parking places for electric and hybrid vehicles, charged by roof-top solar system.

Larger cross-sections and highly thermally insulating materials are used on all parts of the building.

A big solar panel project is installed on the top of our roof.

Geothermal pump heats offices, whilst gas radiant heaters and heat recovery are used in production.

Energy consumption 40% of similar conventional property.



Social

Diversity, equity and inclusion

We recognize the pivotal role that diversity, equity, and inclusion play in fostering a sustainable future. At Caljan, we prioritize cultivating a workplace culture that embraces and celebrates diversity, equity, and inclusion. By doing so, we unlock the full potential of our employees' perspectives, ideas, and innovations. This approach not only promotes a more inclusive and equitable work environment, but also aligns with our sustainability objectives by enabling us to develop innovative and sustainable products and practices that cater to the diverse needs of our customers and communities.

Moreover, by valuing diversity, equity, and inclusion within our organization, we strengthen our supply chain's resilience and sustainability in the face of a rapidly changing world. We firmly believe that every individual brings unique strengths and perspectives to our collective efforts, which leads to the continuous improvement of Caljan as a business and enhances the daily experience for our employees. We embrace and welcome new ideas and approaches from individuals of all backgrounds, irrespective of race, gender, ethnicity, religion, sexual orientation, and/or disability.

In our strategic plan for 2023-2025, we have set specific targets to increase the representation of female managers. Our aim is to achieve a ratio of female managers exceeding 20% for both executive and total management positions, compared to 11% in 2022. By fostering a diverse workforce, we enhance the overall effectiveness of our organization. We acknowledge that the contributions and perspectives of individuals from various backgrounds fill gaps that a single person or homogeneous group may overlook. As such, we remain committed to treating every individual with equal respect and dignity.

While some of our initiatives are not entirely new, we are reiterating and reinforcing our core values. Our Code of Conduct encompasses social aspects, including diversity, equity, and inclusion. We ensure that all new employees thoroughly read and understand the Code, and we follow up by providing comprehensive training to all staff members.

By embracing diversity, equity, and inclusion as integral components of our organizational culture, we

foster an environment that drives sustainable growth and positive change, while ensuring that every employee feels valued and respected.

Employee survey

We recognize the significance of conducting regular employee surveys to assess our progress and identify areas for improvement. These surveys serve as valuable tools for gaining insights into our employees' perspectives and experiences, which are crucial for fostering a culture of sustainability and continuous enhancement. Through regular employee surveys, we collect essential data on our workplace culture, employee engagement, and sustainability initiatives. This data enables us to develop and implement targeted, evidence-based sustainability programs that address the specific needs and expectations of our workforce.

By actively involving our employees in the sustainability process and engaging them in decision-making, we create a more inclusive and equitable workplace. This collaborative approach allows us to build a more resilient and sustainable supply chain that is well-prepared to navigate the challenges and seize the opportunities presented by our rapidly changing world. By investing in employee surveys, we ensure that our sustainability initiatives align with the aspirations and requirements of our employees and the communities we serve.

As part of our commitment to this endeavor, we have implemented a system where employees can express their concerns, suggestions, and complaints. We are currently in the process of developing a questionnaire that will be regularly administered to gauge employee well-being and identify ways to enhance their work experience. We initially introduced this initiative at our headquarters in 2022 and will place increased focus on its implementation across all our sites throughout 2023. Furthermore, in 2023, we will be launching an Employee Engagement Survey that will encompass all of our employees, ensuring a consistent standard of evaluation across all Caljan locations.

By embracing employee surveys as a fundamental aspect of our organizational practices, we demonstrate our commitment to nurturing a supportive work environment, driving sustainable growth, and meeting the evolving needs of our employees and the wider community.



“As we work with the 17 UN goals for sustainable development, we have become keenly aware that there is a wide disparity between businesses developing to meet the challenges of e-commerce, and communities struggling to provide clean water. Sponsoring SOLVATTEN became an obvious choice.”

Henrik Olesen
CEO, Caljan Group



Community involvement – Solvatten

Utilizing the sun, Solvatten® purifies water for safe usage and consumption. Sunlight heats the water swiftly, while UV Rays destroy contaminants and bacteria. Solvatten means clean water is close at hand, easing the burden placed on women and children and making everyday life easier. It also removes the dependency on natural resources for hot water, reducing carbon dioxide emissions and preventing deforestation.

A Safe Work Environment

At Caljan, we consider our employees as part of our extended family, and their safety and well-being are of utmost importance to us. We believe that a healthy and safe working environment is essential for our employees to thrive. Just as we wish for the well-being of our own children, we strive to ensure that our employees return home to their families each day, happy, safe, and in good health. This commitment is ingrained in our strategic plan, which prioritizes the development of a safe work environment.

Our approach to safety extends beyond physical injuries. We recognize the importance of creating a secure and positive co-working environment that fosters respect and inclusivity for all. These principles are deeply embedded in our company values and guide our actions. We are dedicated to continuously improving our procedures, requirements, reporting mechanisms, and goals to enhance the health and safety of both our employees and customers.

While we are committed to overall improvement across various areas, we place a superior emphasis on health and safety at Caljan. For the year 2023, we have set a specific goal of achieving a lost time injury frequency rate of 5. In 2022, our rate stood at 10.75, which prompts us to prioritize this area significantly in order to achieve a lower rate in the coming year.

By prioritizing the well-being of our employees and customers, we demonstrate our unwavering commitment to maintaining a safe and secure working environment. We will continue to invest in measures that protect the health and safety of our workforce, as well as strive to create a workplace culture that promotes well-being and respects the value of every individual.

Safety

At Caljan, the safety and well-being of our employees, customers, and the communities we serve remain our top priority. We recognize that industrial operations carry inherent risks that can impact the health and welfare of those around us. Therefore, we are fully committed to taking proactive measures to mitigate these risks and ensure a safe working environment. Through substantial investments in robust safety protocols and comprehensive



training programs, we create a culture of safety that protects our employees and safeguards our customers and communities from potential harm. By continually monitoring and improving our safety performance, we uphold the trust and confidence of our stakeholders and operate responsibly and sustainably.

With a rich history of over 15 years at our Latvian manufacturing site, we are dedicated to ongoing improvement and learning. While we started reporting workplace accidents in 2020, it was in mid-2021 that we recognized the importance of establishing clear guidelines on what incidents should be reported. In 2022, we took further steps to enhance awareness by differentiating “Near miss” incidents into “Hazards” and “Near misses,” emphasizing our shift towards a risk-based approach rather than solely focusing on reactive responses. To facilitate this approach, we developed a reporting form within our IPW system, which enables us to extract valuable data for proactive measures aimed at preventing incidents. Additionally, the IPW system provides monthly reports for evaluation by the Board of Directors. This information plays a crucial role in gauging our progress, learning from near-misses, and implementing effective preventive measures. The increased reporting of near-misses and incidents across the group indicates our growing commitment to transparency.

Our ultimate goal is to achieve zero workplace accidents, aligning with the vision shared by our owners, AB Latour, in ensuring that employees are not forced to miss work due to injuries. To attain this Vision Zero, we have implemented a proactive strategy that involves biweekly meetings with team leaders, HR representatives, general managers, and production managers. During these meetings, we thoroughly review all reported safety incidents, near-misses, accidents, and lost-time incidents (LTI). By employing the 5xwhy method, we identify the root causes of these incidents and discuss the best corrective and preventive actions to avoid their recurrence. Engaging a broader group in these discussions allows us to gain additional perspectives and enhance the development of future procedures. We also maintain high safety standards and regularly review our statistics to monitor progress.

In our 2025 strategy, we have established a group Key Performance Indicator (KPI) that sets a maximum Lost Time Injury Frequency Rate (LTIFR) of 5, and ensures that the Injury Severity Rate (LTISR) does not increase in any given year.

At the group level, we have undertaken a strategic initiative to align ourselves with the Vision Zero framework, enabling us to access the latest information and best practices shared by other leading organizations worldwide.

By steadfastly adhering to our commitment to safety, we strive to protect the well-being of our employees, customers, and communities, while continuously improving and learning from our experiences.

About Vision Zero

Accidents and occupational diseases in the workplace are not inevitable occurrences but rather have identifiable causes. Through the establishment of a robust prevention culture, these causes can be identified and eliminated, leading to the prevention of work-related accidents, injuries, and illnesses.

Our adoption of the “Vision Zero” approach signifies a transformative commitment to prevention, integrating the dimensions of safety, health, and well-being across all levels of our organization.

Ensuring safe and healthy working conditions is not only a legal and moral obligation but also a sound economic investment. Extensive international research on the returns of prevention clearly demonstrates that every dollar invested in safety and health yields a potential benefit of more than two dollars in positive economic outcomes. By prioritizing healthy working conditions, we contribute to the overall well-being and sustainability of our business.

In the past year, we have made significant strides in our reporting process by incorporating near-miss incidents into our data collection efforts. We

have taken measures to ensure that our employees fully comprehend the distinctions between different incident categories, and team leaders consistently communicate and provide training on these parameters. Additionally, as part of our strategic onboarding plan, new employees starting in 2023 will receive comprehensive training on these reporting criteria.

To enhance safety protocols for visitors, we have implemented a centralized entry point where all individuals entering the factory undergo mandatory safety procedures and are equipped with appropriate safety footwear. Moreover, in compliance with legal requirements, any lost-time incidents (LTI) are promptly reported to both hospitals and the police. This reporting process involves specific requirements and the involvement of safety experts who assess the situation and provide guidance on preventive measures. Finally, our A3 strategy, which encompasses annual goals and activities, consistently prioritizes safety across all departments.

By fostering a prevention-oriented culture, incorporating near-miss incidents, implementing stringent safety measures for visitors, and aligning our activities with strategic goals, we are committed to continuously improving safety and ensuring the well-being of our employees, visitors, and stakeholders.

Safety and Ergonomics as a part of our products

Our commitment to safety and ergonomics extends to our product offerings, ensuring that our customers benefit from advanced features that prioritize their well-being and comfort during loading and unloading processes. One such feature is the inclusion of heating lamps, which enable the maintenance of a comfortable temperature. Furthermore, our products are designed with adjustability in mind, allowing for customized height settings to accommodate various user needs.

In addition to these enhancements, we have implemented a range of safety features to mitigate potential risks and provide a secure working environment.



These safety features include:

- Emergency stops strategically positioned on both sides of the platform, effectively reducing the risk of falls from the 29-inch platform height.
- The conveyor belt's top position is limited to a maximum height of 39 inches from the platform floor level, ensuring safe operation and preventing potential hazards.
- Carabiner snap hooks are provided for attaching safety harnesses, further enhancing worker safety and preventing accidents.
- Anti-collision sensors, integrated into the platform's base, are designed to detect objects during retraction, extension, or lowering movements, automatically halting platform movement to prevent collisions.
- The floor of the platform is equipped with a ribbed, non-slip rubber mat that cushions impacts and significantly reduces the risk of slipping accidents.
- Toe guards are incorporated into the design to protect users from potential hazards and minimize the risk of foot injuries.
- Impact and pop-out rollers (non-driven) are installed at the head of the conveyor, ensuring smooth and controlled material transfer while minimizing the likelihood of accidents.

These safety features collectively reflect our unwavering commitment to providing our customers with reliable and secure solutions that prioritize their well-being and productivity. By incorporating these advanced features into our products, we aim to enhance safety standards and offer peace of mind to our valued customers.



THE CALJAN TRAINING ACADEMY



Governance

Code of Conduct

At Caljan, we have taken the proactive step of developing our own comprehensive Code of Conduct (CoC) in response to customer requirements and our commitment to exceeding expectations. Our CoC serves as a guiding framework for ethical and responsible business practices, setting clear standards and expectations for our employees, suppliers, and stakeholders. By adhering to our CoC, we demonstrate our unwavering dedication to sustainability and foster a culture characterized by integrity, transparency, and accountability. This not only supports our sustainability objectives but also enables us to cultivate robust relationships with our employees, suppliers, and communities while ensuring responsible and sustainable operations.

Regular monitoring and enforcement of our CoC allow us to identify and address any potential sustainability issues, driving continual improvement in our sustainability performance over time. In order to ensure inclusivity and global applicability, our CoC is developed in alignment with the regulatory frameworks of all the countries we operate in. As part of our comprehensive CoC training, we have initiated anti-corruption policy training towards the end of 2021, with further training sessions scheduled for 2023. We are eager to witness the positive impact these efforts will have on shaping the future of Caljan and its employees. The internal implementation and adherence to our CoC are meticulously documented within our management system. Each manager and employee with external engagements is required to formally acknowledge and commit to the content of these documents, underscoring their importance in upholding our ethical standards.

In addition to our CoC, we have established an Anti-Corruption & Anti-Bribery Policy, which, like our CoC, is mandatory for all employees to read, understand, and adhere to. This policy serves as a firm declaration that Caljan does not tolerate or endorse any form of offer, promise, gift, or payment that may improperly influence an individual's decision.

Through our robust CoC and anti-corruption measures, we reaffirm our commitment to operating as a responsible and ethical organization, fostering a sustainable business environment for our employees, stakeholders, and the wider society.

Supplier code of conduct

Furthermore, we have successfully implemented a Supplier Code of Conduct (SCoC) within our supply chain, extending its reach to distributors and agents. The purpose of the SCoC is to ensure that our suppliers align with our standards and priorities. These standards encompass crucial areas such as safety, fair pay, reasonable working hours, and carbon footprint reduction. In line with our strategic objectives for 2022, we undertook the vital task of ensuring that all contractors and relevant suppliers acknowledge and sign the SCoC, reinforcing our shared commitment to ethical practices.

In addition to our comprehensive CoC and SCoC, we have established a whistleblowing system that encourages employees to report any concerns or potential violations. The procedures outlined within this system strictly adhere to our CoC, emphasizing non-retaliation to protect those who come forward. Throughout the entirety of 2022, we are pleased to report that no irregularities were reported through the whistleblowing system, affirming the overall integrity and compliance within our organization. These initiatives collectively demonstrate our dedication to fostering an ethical and responsible business environment, not only within our organization but also throughout our supply chain. By setting clear standards and expectations, promoting sustainability, and providing channels for reporting concerns, we create a culture of transparency and accountability, ensuring the highest level of integrity across all aspects of our operations.

Audits

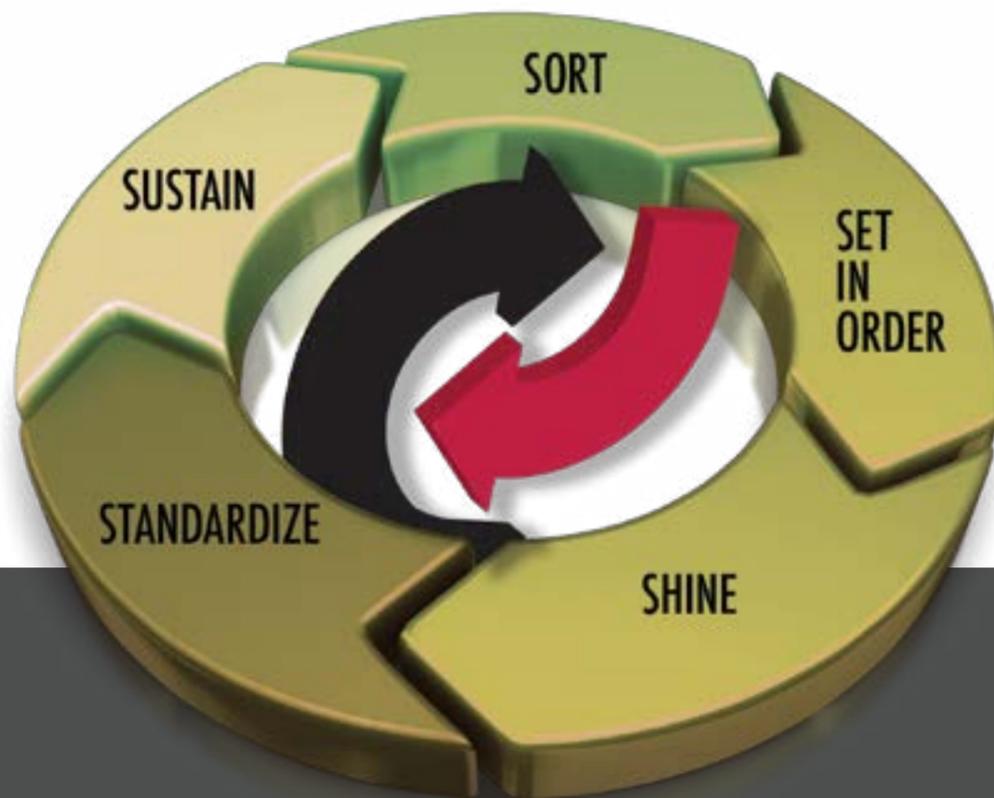
5S audits are conducted periodically at all workplaces. Reinforcing principles, audits help the organization gain the sustainable, long-term benefits of:

- Safety & security
- Waste elimination
- Increased efficiency
- Development of a collaborative mindset among co-workers

Subsequent to the audit, a checklist is shared with people responsible for the area audited, ensuring engagement and commitment to the improvement areas identified.

Leading the way to great results

As part of the Latour Group, Caljan is privileged to be able to draw on the experiences of sister companies, exchanging data and ideas in a completely confidential environment. In addition to giving insight, networking has helped us trim many processes, so we can push the bar higher, faster. Instead of working reactively, in many areas we can be proactive, guiding partners and surpassing expectations.



THE RULES

only have value when you follow them



Health & Safety regulations and processes help keep you safe.

CALJAN

Interview with...



GATIS DRADEIKA
GENERAL MANAGER CALJAN LATVIA

Which aspect of sustainability has most scope for improvement within The Caljan Group?

Our aim is to lower our emissions by procuring materials in a more sustainable way and increasing energy efficiency while reducing the consumption of water, electricity, and gas, as well as reducing the usage of hazardous substances to a minimum. We already utilize renewable energy in Latvia, our plan is to focus on reducing gas usage as heating in our largest building is the main energy consumer. We are also looking into other options and the feasibility of transitioning to geothermal energy. Obtaining the ISO 14001 certification is a priority for us in early 2023.

What are some areas of improvement you have already taken within your site to get closer to reaching our KPI's?

We are interested in diversifying away from gas heating and exploring other sources as an alternative. We have also been looking into renewables such as solar to increase our energy independence in the future. In terms of gender equality, our management team is composed of 6 individuals, 2 of whom are women, which is a positive step forward. Our suppliers are now required to sign our supplier code of conduct, and we started to conduct audits to ensure compliance. We have incorporated near-miss reporting into our safety procedures and share accident data now. Obtaining ISO 14001 certification is a priority, and we plan to have it completed by April.

Are there any areas within your division you aim to change within the next year?

We are planning to revise our production department's strategic plan to prioritize our safety culture and ongoing improvement. We are also excited to utilize our new building for Aftermarket as a central learning academy for Caljan. Additionally, exploring alternative energy is a high priority for us.



WIELAND WEGGE
MANAGING DIRECTOR CALJAN GERMANY

Which aspect of sustainability has most scope for improvement within The Caljan Group?

Energy consumption; about three years ago we started planning a new production site. This has turned into the construction of our new, very modern Caljan headquarters in Germany. A unique journey that has put a big focus on sustainability from the very beginning. Quality, Health & Safety and Environmental sustainability have been the key in all design aspects. During operations, we will use 60% less energy than conventional industrial buildings. A large solar panel system on the hall roof and air-to-water heat pumps will use renewable energy sources. In addition, we will convert our entire vehicle fleet to electric vehicles. The necessary charging points are already in place.

What are some areas of improvement you already have taken within your department to get closer to reaching our KPI's?

Caljan's Document Handling & Labelling division supplies a wide range of different electric motors from single machines to complete plants. With our customers we always follow the design path of smart drives to reduce the total energy demand. The control systems of these plants are also designed with a focus on minimum energy consumption. The intelligent field sensor technology disconnects parts of the system that do not need to be operationally active. This means that we pay particular attention to the energy-saving potential, right from the design stage. Incidentally, we have also chosen this way of saving energy for the lighting of our new division building in Germany. LED lights are not only incredibly energy-saving, they are also switched on/off by an intelligent control system, i.e. only when it is necessary. We will continue to follow this path.

Are there any areas within your division you aim to change within the next year?

There are many ways to increase sustainability in manufacturing operations. This becomes particularly clear when you look at the ESG wheel. I think you have to have a good team, effective resource management and the right sense of sustainability. The right roles, competences and qualifications are very important to follow the needed requirements. Often it already starts with the selection of the right suppliers and their products, which should be purchased according to the criteria of sustainability. In the future, this consideration will be even more important in the entire supply chain of our division.



Alex Christensen
Group QHSE Manager

Which aspect of sustainability has most scope for improvement within The Caljan Group?

The focus areas I see for The Caljan Group for improving sustainability is connected to our strategy and objectives and in headlines they are:

- **Safety Culture:** Continued focus on a strong safety culture by encouraging open communication, active participation, and accountability among employees at all levels. By promoting a culture that values safety, employees are more likely to proactively identify and address safety issues, leading to continuous improvement in safety practices.
- **Energy Efficiency:** Caljan can prioritize the optimization of energy consumption by adopting energy-efficient technologies, BMS, establishing energy management system, and promote energy-saving practices throughout our operations.
- **Waste Management:** Enhancing our waste management practices to involve reducing waste generation, implementing recycling programs, exploring opportunities for further reusing materials, and adopting circular economy principles to minimize waste and maximize resource efficiency within our operations.
- **Supply Chain Sustainability:** We can assess and improve the sustainability of our supply chain by working closely with suppliers to promote responsible sourcing, ethical labor practices, and reducing the environmental impact of transportation and logistics.

- **Carbon Footprint Reduction:** Increased focus on reducing greenhouse gas emissions by implementing measures such as adopting renewable energy sources for facilities and vehicles, optimizing transportation and logistics operations.
- **Product Lifecycle Sustainability:** Further mapping the entire lifecycle of all Caljan products, from design and manufacturing to usage and disposal, can help identify areas where improvements can be made. This includes using eco-friendly materials, designing for durability and repairability, and promoting responsible end-of-life reuse, recycling or disposal.

What are some areas of improvement you already have taken within your department to get closer to reaching our KPI's?

In the strategy, we have planned actions to reach certification according ISO 14001 and 50001, so we establish a baseline of facts. By following this structured approach, we ensure that risks are mitigated, and opportunities are recognized and implemented as actions. So we improve where it has the highest impact on people, planet and profit.

Are there any areas within your department you aim to change within the next year?

Our main focus for next year are on the ISO implementation and the strategic safety campaign. This will occupy the majority of the resources within our department, and will provide us with the largest room for improvement.

Data

Tables

According to the GHG Protocol, which we follow, we are required to report on scope 1 and scope 2 emissions. These are projected in CO2 emission based on location, using the MWh total in order to calculate all CO2 emissions. MWh is also the unit the indirect energy is measured in. In our table below we

show data from 2019, 2020, 2021, and 2022. Here we see some significant changes, like the decrease in the use of Propane Gas (LPG) and the increase in renewable energy. These trends will continue for the future, at a more rapid pace.

Table 1.1: Energy Consumption and related CO2 emissions

Direct energy – scope 1	2019	2020	2021	2022
Diesel Oil (tons CO2)	859,6	294,9	876,9	964,8
Propane Gas (LPG) (tons CO2)	29,3	27,3	15,0	6,7
Natural gas for heating (tons CO2)	227,8	245,2	572,8	615
Oil heating (tons CO2)	12,5	12,8	13,2	0,0
Unleaded fuel (tons CO2)	144,8	625,5	85,5	161,5
Total (tons CO2)	1273,9	1205,8	1563,4	1748,0
Indirect energy – scope 2				
Electricity (tons CO2)	267,9	273,2	372,2	235,8
District heat (tons CO2)	31,6	28,0	42,8	30,4
Total CO2 emissions – Scope 1 & 2 (tons CO2)	299,5	301,1	414,9	266,2
Indirect energy – scope 2, renewable (zero CO2 emissions)				
Electricity (MWh)	72,9	169,7	109	1996
Total CO2 emissions – Scope 1 & 2 (tons CO2)	1573,5	1506,9	1978,4	2014,2

Table 2.1: Key Figures Environment

Environmental data	Unit	Result 2022	Objectives 2025	Action (explanation)
Electricity consumption from non-renewables	MWh	1154	997	To reach 100% renewables before 2030, we need to reduce our consumption from non-renewable sources with 11% or more each year until 2030. Currently, we are ahead of schedule. Solar panels and other ideas are on the drawing board.
Electricity consumption from renewables	MWh	1996	1996	
ISO 14001:2015 certified production sites	Number	0	4	Denmark and Latvia are set to reach certification in Q2 2023. ISO 14001:2015 is the standard for Environmental Management.
ISO 50001:2018	Number	0	2	Denmark and Latvia are set to be certified in Q2 2023, process started in Q1 2022. ISO 50001:2018 is the standard for Energy Management.
Water consumption	Volume, M3	5.025	4.875	Even though we only use water to clean, shower or drink, we are aware that water is a rare commodity and target an even lower consumption during the coming years.

Table 2.2: Key Figures Social

Social data	Unit	Result 2021	Result 2022	Objectives 2025	Action (explanation)
Number of employees	Number	627	656	-	Number of full-time employees in Caljan as per 31st of December.
Number of accidents resulting in lost time injury (LTI)	Number	11	16	Vision Zero	Number of accidents with >1 day's sick leave/absence from work.
Frequency rate of LTI	Frequency rate	9,53	13,3	<5	Number of new cases/hours worked*1,000,000.
Severity rate for LTI	Severity rate	235,49	136,1	<100	Calculated by dividing total days of absence due to injury with total hours worked in the period*1.000.000.
Gender ratio of 40:60 in leadership positions	Number female: Number male	10,8% / 89,2%	11.5% / 88.5%	>20% / <80 %	A leadership position is defined by having one or more employees reporting to you. Our goal is to reach 40:60 by 2030..
Near misses	Number	32	43	<40	Incidents that had the potential to cause injury, damage, or become an environmental issue.
Hazard observations	Number	17	95	>100	
Whistleblower cases, discrimination, child labour, forced labour or human trafficking.	Number	0	0	0	
Education for office employees	Average hours per employee	No data	No data	Data to be established	
Education for technical employees	Average hours per employee	No data	No data	Data to be established	



Table 2.3: Key Figures Governance

Governance data	Unit	Result 2021	Result 2022	Objectives 2025	Action (explanation)
Code of Conduct	Number, percentage	226, 95%	100%	100%	Our Code of Conduct is available for all employees to read in our integrated management system. Employees with external interactions are required to read, understand, and sign it.
Supplier Code of Conduct	Number, percentage			100% of A and B suppliers have signed the SCoC	By having our suppliers sign our SCoC, we ensure they commit to Caljan and customers' requirements.
Anti-corruption training	Number, percentage	226, 95%	100%	100%	Required every two years for all employees in management, sales and purchasing positions.

Other Group Figures

Employees	2019	2020	2021	2022
♂	415	435	535	551
♀	53	70	92	105
♀♂	468	505	627	656

Technical Employees	2019	2020	2021	2022
♂	281	296	376	360
♀	7	11	14	18
♀♂	288	307	390	378

Leaders	2019	2020	2021	2022
♂	54	62	74	69
♀	4	6	9	9
♀♂	58	68	83	78

Office Employees	2019	2020	2021	2022
♂	134	139	159	191
♀	46	59	78	87
♀♂	180	198	237	278

Thank you...

Ensuring a sustainable future for both our planet and our workplace is a necessity that we at Caljan wholeheartedly embrace. In recent years, we have made substantial progress in our sustainability endeavors, prioritizing responsible practices and resilience. Our steadfast commitment to sustainability is evident through our ongoing efforts to minimize our environmental impact, engage our employees in sustainable initiatives, and foster transparency and accountability in our operations. Through this comprehensive sustainability report, we aim to demonstrate that our words are backed by concrete actions that make a positive difference.

In 2022, we implemented a range of sustainable actions that yielded significant results. Notably, our sourcing of renewable electricity surged from 4% in 2021 to an impressive 63% in 2022. Furthermore, we bolstered our waste management program and actively promoted recycling and reuse throughout our operations. By reducing our waste footprint, we have not only lessened our environmental impact, but also achieved tangible financial benefits by curbing costs and enhancing efficiency.

At Caljan, we recognize the indispensable role of our employees in championing sustainability. To this end, we have invested in employee engagement programs, comprehensive training, and the cultivation of a supportive workplace culture. By fostering inclusivity and empowerment, we demonstrate our unwavering commitment to promoting diversity, equity, and inclusion within our organization.

The year 2022 presented us with numerous global challenges. However, the surge in e-commerce offered a positive opportunity for expansion, which we wholeheartedly embraced, further refining our products, culture, and standards. Our adaptability and resilience in the face of change have fortified us and served as invaluable experiences for growth.

Transparency and accountability remain paramount to all our operations. We take immense pride in regularly publishing sustainability reports that outline our performance and progress in this domain. These reports serve as a crucial tool for communication with stakeholders, fostering trust and confidence in our sustainability initiatives. Moreover, we are committed to actively engaging with our stakeholders, actively seeking their feedback on our sustainability performance.

Through our investments in safety, energy efficiency, waste reduction, and employee engagement, we are nurturing a culture of sustainability that permeates every aspect of our operations. We acknowledge that sustainability is an ongoing journey, and we are steadfast in our commitment to continuously improve our performance. We greatly appreciate the invaluable support and trust of our owners, AB Latour, as well as our employees, customers, and communities. As responsible corporate citizens, we remain dedicated to making a positive impact on the world. Looking ahead, we are thrilled to continue our sustainability efforts and take a leadership role in shaping a more sustainable future for all.





 **CALJAN**

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