



E3 Koncernen

CSR-Report 2023/24





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Statement of corporate social responsibility, cf. section 99a of the Danish Financial Statements Act covering the consolidated financial statements of PJ of 2005 APS and the underlying consolidated financial statements of the E3 Gruppen A/S – collectively referred to as the E3 Koncernen, or simply E3.

About the preparation of this report

CSR Report 2023/24 and the report's environmental data have been prepared in collaboration between E3 Spedition-Transport and TransECO2. The calculation of emissions and energy consumption from the completed transport has been prepared in accordance with the guidelines in ISO 14083. The environmental data is compiled on the basis of information from E3 Spedition-Transport and information that E3 Spedition-Transport has obtained from its partners. The collected data has been discussed with the management of E3 Spedition-Transport. Against this background, it is our opinion that the key figures in the CSR report give a true and fair view of the most important environmental aspects of the company E3 Spedition-Transport and thus for the entire E3 Group, as the concern's primary activities are carried out in E3 Spedition-Transport.

Lars Dagnæs
TransECO2

Cynthia Hagge
E3 Spedition-Transport





1 INTRODUCTION

It is the E3 Koncernen's vision that we will be the natural choice when customers want logistics solutions of the highest quality. We believe that responsible and sustainable business models are increasingly the starting point for a modern and future-proof company.

Therefore, we have been working proactively for many years to reduce our environmental and climate impact. This has been done, for example, by continuously replacing our rolling stock with the highest Euro standard, and by using IT and training our employees to ensure that we have a high-capacity utilisation of our fleet and that our trucks get good mileage.

From 2020/2021, we have consolidated our accountability and sustainability efforts into a single CSR report.

Here we have described our policy in the relevant areas and defined the indicators we will monitor. In an annual action plan, we describe how we are making continuous improvements and otherwise ensuring that we comply with the objectives and policies described in the CSR report.

With this CSR report, we wish to openly present the work we have already done and our future strategy and efforts. We have selected a number of our performance indicators – this forms the basis for how we measure our progress.

This CSR report has been prepared in accordance with the guidelines of § 99 (a) of the Danish Financial Statements Act [Årsregnskabsloven] and reports on the E3 Koncernen's CSR work in relation to the financial year 2023/24.

Per Jørgensen
December 2024

2 E3'S BUSINESS MODEL

"We move it all"

The E3 Konzern is an international concern. International transport and logistics, carried out by E3 Spedition-Transport, is the core business and constitutes the vast majority of the concern's activities. Our head office, with a dedicated office and warehouse, is situated in Padborg. However, we believe in proximity and that we should be easily accessible. Therefore, we have branches in Handewitt, Zarrentin, Homberg and Kammlach.

We solve transport and logistics tasks throughout Europe with Germany as the dominant submarket. Our services are part and full load as well as 3rd party logistics: warehousing, packaging and picking as well as distribution. We carry out our transport tasks with our own vehicles and in cooperation with subcontractors in Denmark, Germany and Poland. The majority of outsourced transport operations are carried out by a limited number of subcontractors with whom we maintain close contact.

Vision

The E3 Konzern will be the natural choice when the need arises for logistics solutions of the highest quality.

Mission

The E3 Konzern's mission is to move goods in the B2B market without compromising on agreements or service levels. This is done by using the latest technology and passionate and committed employees.

Values

The E3 Konzern's aim is to secure and handle our customers' goods with the utmost professionalism. We are an employer who constantly wishes to challenge and motivate our employees in a safe working environment, with a focus on individual development – both on a professional and personal level.



Our Core Values are:

Quality: We never compromise on the quality of our service. We demand a lot from ourselves and each other; we strive to be as accurate and as much of a perfectionist as possible.

Respect: We are a company built on respect. Respect for all employees, for the world around us, and for an eco-friendly solution.

Honesty: We believe that honesty is the best policy. We are honest with our customers, with each other and with ourselves. This is the only way to create a good working environment and a successful business.

Commitment: We are passionate about our work. At the E3 Spedition-Transport we are constantly curious, and we always have the customer's interest in mind. We engage with each other and engage in each challenge.

Relationships: We believe in mutual relationships and loyalty. We are always there for our customers and each other. We believe in teamwork.

E3 Koncernen's value chain

Supplier



- Human Rights
- Employee health and satisfaction
- Work accidents and safe traffic
- Anti corruption

- Know-how of transport and logistics
- Quality, safety and precision
- Employees training and education
- Information and communication technology

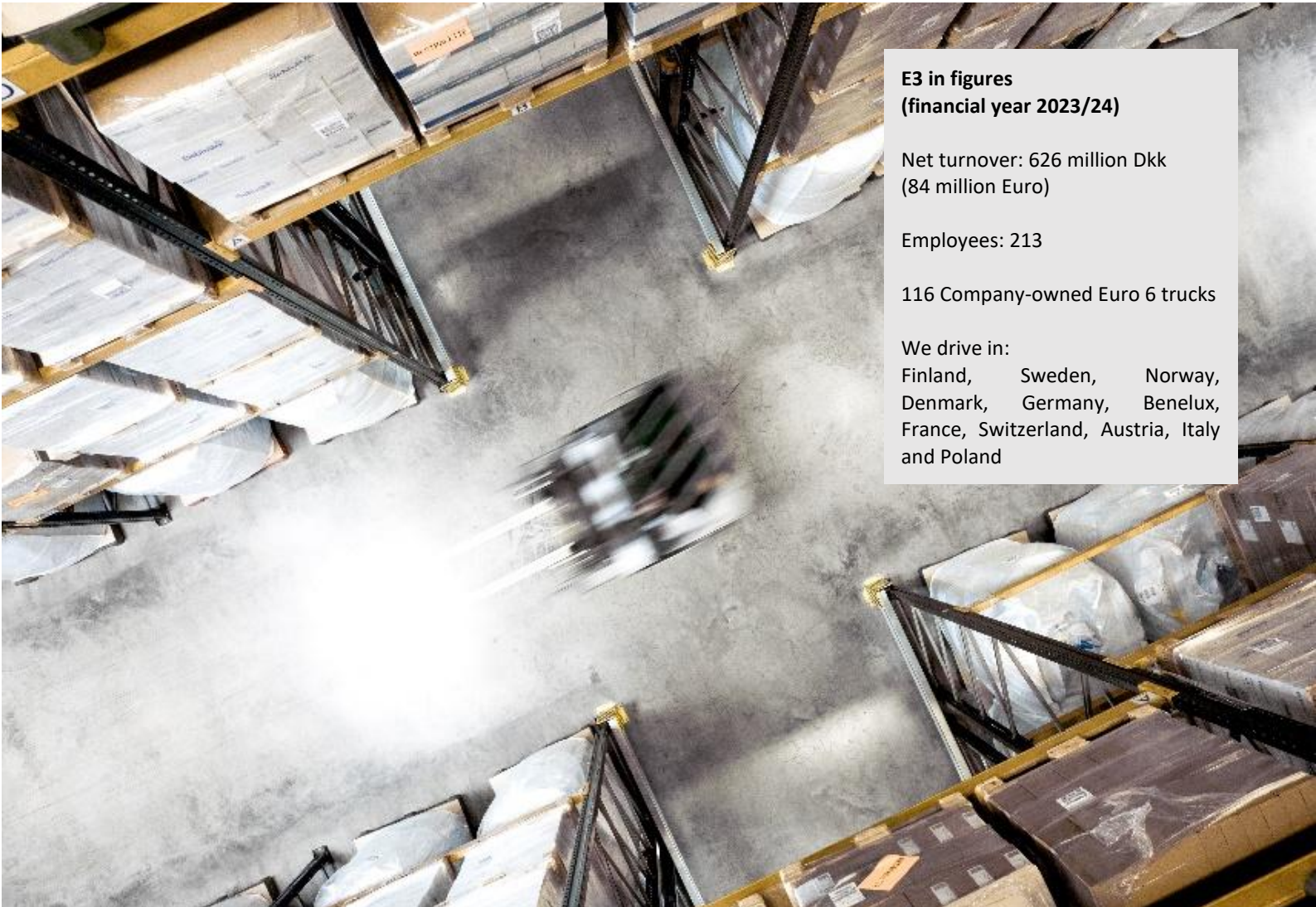
Transport



- Fuel consumption
- Emission of greenhouse gases (CO₂)
- Emission of NO_x, SO_x, and particles

- Customer satisfaction
- Partnership
- Collaboration and dialogue
- Solutions tailored to customer requirements

Customer Recipient



E3 in figures (financial year 2023/24)

Net turnover: 626 million Dkk
(84 million Euro)

Employees: 213

116 Company-owned Euro 6 trucks

We drive in:

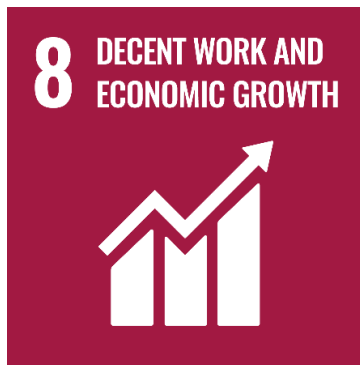
Finland, Sweden, Norway,
Denmark, Germany, Benelux,
France, Switzerland, Austria, Italy
and Poland



3 CSR AT E3


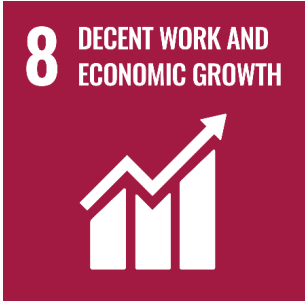
At the E3 Koncernen, we are aware of the impact we are making on the environment. We are, therefore, working hard to develop a greener transport and logistics industry.




Our company is built on respect. Respect for all employees, for the world around us, and for an eco-friendly solution. We are honest with our customers, with each other and with ourselves. We have chosen to base our CSR strategy on the 17 UN Sustainable Development Goals. We have defined SDG's 3, 8, 9, 12, and 13 as the most relevant for our activities, and thus also the areas where we can make a difference.



4 RISK ASSESSMENT

The E3 Konzern's CSR strategy is based on the following identification of the significant risks involved in our business activities.

Area UN SDG's	Identified risks and our strategy	What we do:
<p>Good Health and well-being</p> 	<p>Significant risks are:</p> <ul style="list-style-type: none"> • Occupational injuries • Physical and mental work environment • Stress • Employee satisfaction • Drivers' working conditions, observance of breaks and driving and rest periods <p>We aim to:</p> <ul style="list-style-type: none"> • have a healthy physical and psychological work environment. • continuously ensure that we remain an attractive company to work for at the industry level, attracting and retaining the best talent • that we through training and follow-up minimizes the risk of accidents in traffic and the workplace 	<p>Focus areas:</p> <ul style="list-style-type: none"> • The physical and psychological work environment • Through our occupational health and safety organisation, we follow up on dangerous incidents and we work to continuously prevent accidents and injuries • Compliance with driving and rest periods and avoiding time constraints for our drivers • Participation in projects to help specific groups enter the labour market • Individual employee development on the job and through relevant training
<p>Decent work and economic growth</p> 	<p>Significant risks are:</p> <ul style="list-style-type: none"> • Human Rights. There are significant risks of human rights violations in the supply chain • Anti-corruption. The main risks of bribery and corruption relate to interaction with suppliers and receiving gifts from them. • Gender and nationality equality <p>Our company is built on respect and honesty, it is, therefore, natural for us to</p> <ul style="list-style-type: none"> • make demands of our subcontractors in terms of proper pay and working conditions for their drivers <p>We comply with applicable legislation, do not accept bribery/corruption and money laundering, and expect the same from our suppliers and partners in general</p>	<p>We present our stance to our partners and, where we deem it appropriate, we clarify it in cooperation agreements and we follow up on an ongoing basis.</p> <p>In 2021/22, a "code of conduct" was prepared for the E3 Group.</p>

<p>Industry, innovation and infrastructure</p> 	<p>Professional solutions for our transport operations must ensure our customers' competitiveness and satisfaction with our cooperation.</p> <p>It is our goal to continuously improve our ability to solve the tasks that our customers ask of us.</p> <p>Our IT system, which we have developed for customisation in collaboration with our supplier, is a key starting point in realising our vision.</p>	<p>We work continuously to develop our services, for example through:</p> <ul style="list-style-type: none"> • Dialogue with customers • Developing solutions in collaboration with our customers • Employee development through training and education • The IT system is the "backbone" of our business model.
<p>Responsible consumption and production</p> 	<p>Significant risks are:</p> <ul style="list-style-type: none"> • NOx and particulate matter emissions from trucks • Waste and recycling • Efficient use of our equipment and other assets <p>The E3 Konzernens aims for a greener transport and logistics industry.</p>	<p>Focus areas:</p> <ul style="list-style-type: none"> • Trucks with high Euro standards ensure the lowest possible NOx and particulate matter emissions • Focus on minimizing waste from our activities and that as much as possible is sent for recycling • Employee behaviour and training
<p>Climate action</p> 	<p>Significant risks are the emission of CO2 associated with the burning of fossil fuels:</p> <p>Diesel consumption trucks</p> <ul style="list-style-type: none"> • Own • Sub-contractors • Warehouses and offices • Heating • Electricity consumption <p>More than 99% of the CO2 emissions from the E3 Konzernens' activities relate to emissions from transport by truck from E3's own and subcontractors' transports.</p> <p>Converting the transport sector's energy supply to CO2 neutral solutions is a common global challenge. In the short term, development is achieved by reducing consumption through efficiency improvements. In the longer term, technological developments should pave the way for new sustainable fuels.</p>	<p>Focus areas:</p> <ul style="list-style-type: none"> • Modern and efficient equipment • Employee behaviour and training • Logistics and route optimisation • Dialogue and collaboration with partners and customers on new solutions

5 POLICIES, ACTIONS AND RESULTS

5.1 Environment and climate

Environmental policy

We aim to minimise the environmental impact we have on the world around us. We do this to ensure that we help pass on a sustainable world to future generations. At the same time, thinking green saves the concern money, so it's not that difficult.

Our focus areas are:

- Modern and efficient equipment
- Employee behaviour and training
- Logistics and route optimisation
- Dialogue and collaboration with partners and customers on new solutions

We are committed to continuously striving to reduce our environmental impact and to comply with all regulatory requirements.

What we do

- We drive eco-friendly trucks, using the latest technology to minimise CO₂, NO_x, SO₂, and particulate matter emissions.
- We train our drivers to drive in an environmentally friendly way.
- By minimising empty journeys, idling, and generally getting more mileage out of our fuel, we are acting in an eco-friendly way and also saving money by doing so.
- In our offices and warehouses, we make continuous sustainable environmental improvements.
- We turn off lights when we leave a room and when we replace windows etc., we make sure to find solutions that minimise our energy consumption.
- We minimise our waste and, where possible, we sell our scraps to recyclers.
- All electricity consumed on E3's premises in Denmark is wind-powered, ie. it is produced without using fossil fuels and thus the emission of CO₂.



Achieved in 2023/24

In 2023/24

- E3 has acquired a total of 75 new trucks to replace existing trucks. More efficient engines and new IT solutions will enable lower energy consumption and thus lower CO₂ footprint from E3's transports.
- we have started developing a new IT system to calculate energy consumption and transport work on the individual transport tasks. The system will allow for better follow-up on energy consumption per transported tonne-km and for optimisation, e.g. through better loading and less empty running. In addition, the system will also mean better opportunities and partial automation of CO₂ reporting to customers.
- Installation of a new telematics system in all E3's own trucks has been completed. The new system has, among other things, improved the ability to monitor the energy efficiency of the trucks driving. The system is in the test phase and will be fully implemented in 2025.

The total CO₂ emissions from E3's business activities in 2023/24 were 34,397 tonnes of CO₂. The majority of this, 99.9%, came from the freight transport carried out. E3's own trucks accounted for 11,036 tonnes of CO₂ (e), or approximately 32% of the total CO₂ (e) emissions from truck transport. The average emission per tonne-km in 2023/24 was 63 grams of CO₂.

Figure 1. The total CO₂ emissions from E3's business activities in 2023/24 distributed on scope 1, 2 and 3. Tonnes CO₂ (e)

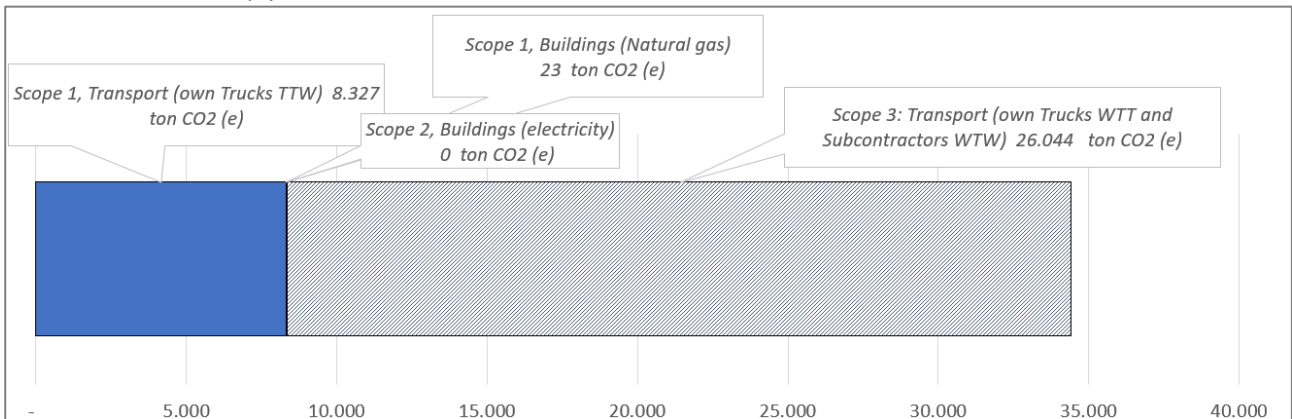


Figure 2 shows the development of total production/transport work, measured in tonkm, as well as energy consumption and CO₂ emissions from 2020/21 (base year) to 2022/23 and 2023/24.

Figure 2. Evolution of E3's environmental performance 2020/21 (base year), 2022/23 and 2023/24

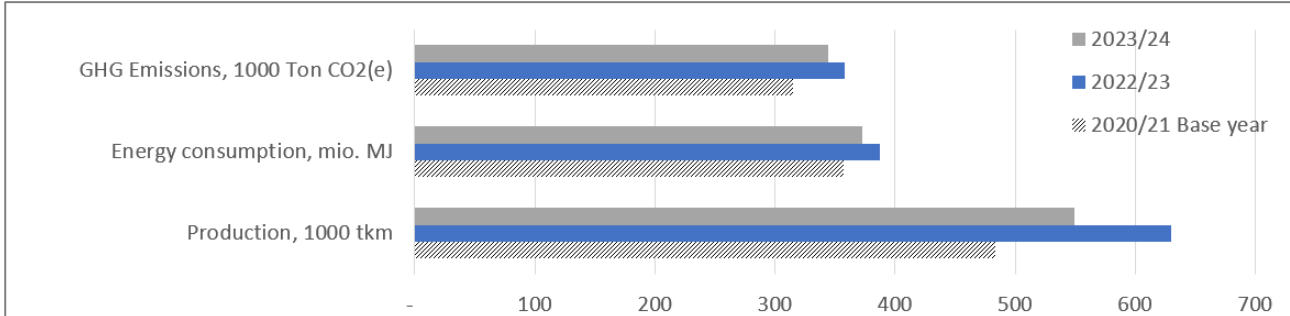
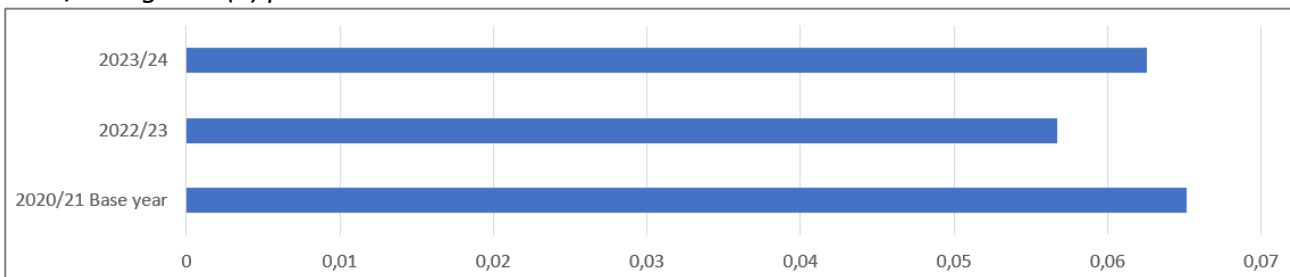


Figure 3 shows the development of the avg. CO₂ e emissions per tonkm in the same period.

Figure 3: Development in average CO₂ emissions per tonne-km 2020/21 (base year), 2022/23 and 2023/24. kg CO₂ (e) per tonkm



As you can see, transport work has increased by a total of 14% compared to the base year (2020/22), within the last year (i.e. 2022/23 to 2023/24) it has decreased by 13%.

Energy consumption compared to the base year (2020/21) has increased by 5% and within the last year decreased by 4%.

Since the base year (2020/21), energy consumption per tonne-km has decreased by 8% and CO₂ emissions per tonkm have decreased by 4%¹.

In the last year, both energy consumption and CO₂ emissions per tonkm have increased by 10%.

¹ (The reason why the decrease in CO₂ emissions in the performance account is lower than the decrease in energy consumption is that E3 has chosen to calculate CO₂ emissions from transport in accordance with ISO 14083 and to use emission factors from GLEC V3.0 from financial year 2022/23. The emission factor for diesel is approximately 5% higher than in the EN 16358 standard, which has formed the basis for the calculation of CO₂ emissions in the two previous financial years.)



Table 1 shows the development of the key figures for the base year (2021/22) as well as 2022/23 and 2023/24.

As shown on the previous page, both CO2 emissions and energy consumption per tonkm have increased by 10% in the last year.

The development within the last year covers the fact that the trucks have on average driven 1% longer on the litre (E3's own cars have on average driven 5% longer on the litre. There is no data on the development of E3's subcontractors²), average unloading has decreased by 7% and the proportion of unladen journeys has increased by 27%.

Over the entire period, i.e. since the base year (2020/21), E3's own vehicles have driven 9% further on litres, the average load has increased by 9%, while the share of kilometres without a load has increased by 27% (it is especially in the last year that the share of empty runs has increased).

The significant increase in unladen kilometres has thus had a decisive influence on the 10% increase in CO2 emissions per tonkm from 2022/23 to 2023/24.

All of E3's own trucks, as well as the trucks of the subcontractors who drove for E3, were Euro 6 trucks.

Table 1: Key figures for 2020/21 (base year), 2022/23 and 2023/24, environment and climate

	2020/21 (Base year)	2022/23	2023/24	Unit / measured (M) or calculated (B)
CO2 Emissions, well -> wheel/tkm				
Own Trucks	0,065	0,055	0,059	kg CO2 e/tkm (M)
Trucks from subcontractors	0,065	0,058	0,064	kg CO2 e/tkm (B)
All Trucks	0,065	0,057	0,063	kg CO2 e/tkm (B)
CO2-Emissions, tank -> wheel/tkm				
Own Trucks	0,052	0,042	0,045	kg CO2 e/tkm (M)
Trucks from subcontractors	0,052	0,043	0,049	kg CO2 e/tkm (B)
All Trucks	0,052	0,043	0,047	kg CO2 e/tkm (B)
Empty trips own Trucks	11%	11%	14%	% (M)
Empty trips subcontractor Trucks	11%	11%	14%	% (M)
Energy consumption own Trucks	0,29	0,28	0,27	liter/km (M)
Energy consumptions subcontractor Trucks	0,29	0,29	0,29	liter/km (B)
Own Trucks				
Division of Euronorm	6,0	6,0	6,0	average standard (M)
Trucks from subcontractors				
Division of Euronorm	6,0	6,0	6,0	average standard (M)

² For E3's subcontractors, it is assumed that diesel consumption per kilometre travelled has been the same as for E3's own vehicles in the base year 2020/21. This assumption applies to all years for which a CSR report has been prepared. As stated in this report, it is E3's goal to enter into dialogue with its regular subcontractors about data on their diesel consumption per km driven.

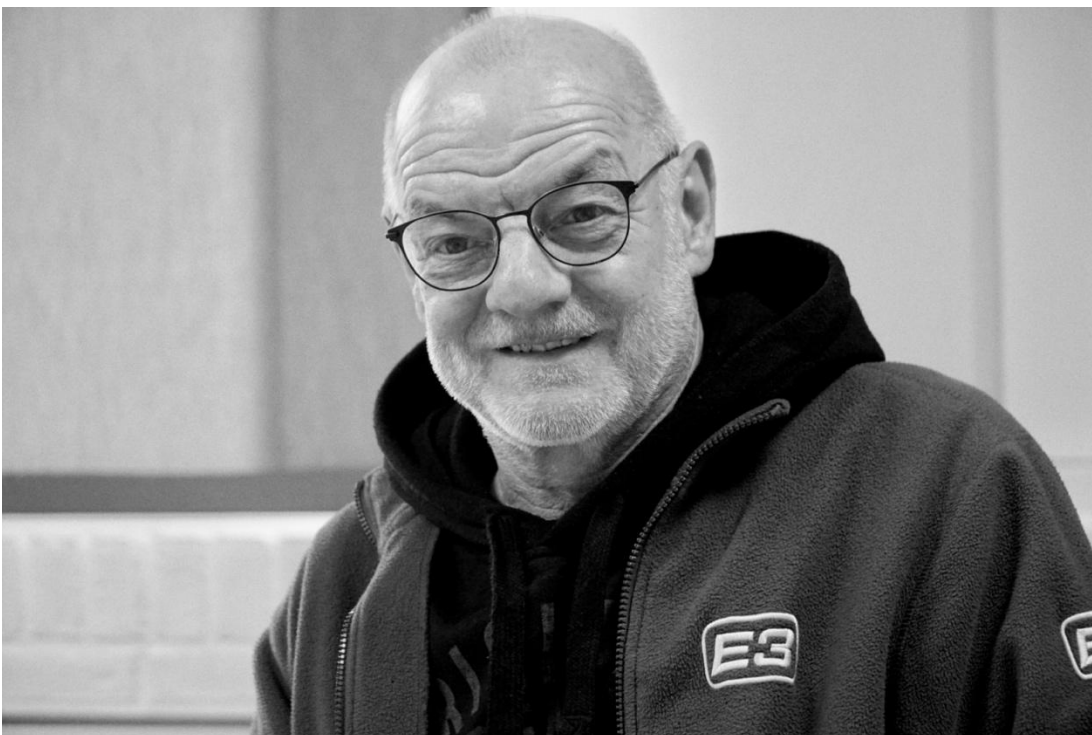
Frank Hofeditz - driver at E3 Spedition-Transport, Handewitt

Around 330 trucks carry goods for E3's customers every day. The majority of these are on German motorways. 116 are E3's own trucks, the rest are subcontractors, mostly from a handful of hauliers that E3 has worked with for a number of years.

Frank Hofeditz has been a truck driver at E3 since 2013. He used to drive in Scandinavia, but now he does most of his journeys in Germany. Frank Hofeditz lives in his truck from Monday to Friday. Geography and the terminals to be visited vary from week to week.

Truck traffic in Germany has been increasing over the last few years, putting more pressure on the roads and car parks. As a driver, I have to ensure that the goods reach the customers on time and that I respect my breaks and rest periods, says Frank Hofeditz.

'Whenever possible, I choose to drive at night: there is less risk of congestion and the chance of finding a free parking space when I need to rest is greater. At E3 there is a 'flat and informal structure', we have a good and daily dialogue with the dispatchers, and as drivers we have the necessary flexibility in terms of how we organise our driving to the customers' terminals. This is an important prerequisite for a high level of delivery service to our customers, given the current motorway traffic,' concludes Frank Hofeditz.





Action Plan 2024/25

- Dialogue with our subcontractors about our environmental policy and collection of data on consumption per km driven in the same way as for our own vehicles.
- In addition, we will continuously assess whether we can also in other ways, through innovation and development, introduce workflows and technologies that can streamline energy utilisation and thus contribute to reducing the carbon footprint from our activities.
- The aim is to reduce average CO₂ emissions per tonkm by 2024/25 to at least reach the level of 2022/23. As can be seen, a significant increase in the share of load-free kilometres has been the main reason for the increase in CO₂ emissions per tonkm from 2022/23 to 2023/24.
- E3 continuously monitors technological developments in trucks, powertrains and fuels to assess whether new technologies are ready to be implemented in our business model.

As described, CO₂ emissions from transport by E3's own trucks and subcontractors account for more than 99% of total CO₂ emissions from E3. The most important source for reducing CO₂ emissions is, therefore, that emissions from the completed transports can be reduced.

It is estimated that the possibilities to reduce CO₂ emissions per tonne-kilometre within existing means (better utilisation, more km per litre and less idling) are limited. However, E3 will continue to explore the possibility of further reductions.

If the societal objectives of reducing CO₂ emissions from road transport are to be reduced towards 2045/50, it will be necessary to introduce new technologies.

Germany is the main market for E3 where the German government, in cooperation with branch organisations and industry, has established a strategy for the implementation of new fuels.

The main focus is on electricity and hydrogen.

When it comes to battery-powered electric trucks, the timetable for establishing charging options is critical to when companies will be able to implement trucks in their daily operations. In addition, the development of battery technology is critical for the trucks to reach a range where it will be possible to introduce the technology on a large scale, both in terms of transport time and especially economy.

E3 will continue to monitor developments in new markets dealing with trucks as well as in dialogue with our customers, assessing when the market is ripe for gradual implementation of new technologies.

Drop-in fuels such as HVO (Hydrotreated Vegetable Oil) can be one way to reduce CO₂ emissions from truck transport. HVO has the advantage that it can be used in trucks that are already running. The possibility of using HVO will therefore also be part of the possibilities that E3 will explore.

5.2 Health and well-being

Our policy is

Our employees are our link to customers, suppliers and other stakeholders, and it is crucial that our actions eliminate the risk that we fail to attract and retain qualified employees.

We aim to have a healthy physical and psychological working environment and, we respect internationally recognised human rights.



What we do

- We continuously strive to ensure that we remain an attractive company to work for at the industry level, attracting and retaining the best talent.
- We treat our employees with respect and ensure that each employee has the opportunity to develop in the job, while offering them relevant training.
- Not only do we comply with legal requirements to prevent accidents and injuries, we also work proactively to alert each other to dangerous situations.
- We ensure that drivers respect their breaks and rest periods. We aim to ensure that they are not put under time constraints which can lead to them becoming unfocused and, therefore, more likely to make mistakes.
- We take individual care of our employees.
- We participate in projects that actively seek to attract diverse population groups – and we welcome employees who are dependent on assistive devices or extra support.
- As a socially responsible company, we participate in various projects and initiatives aimed at helping various population groups find entry into the labour market.
- We also actively seek to inspire and encourage young people who are still in school to take an interest in the industry.
- One of the ways in which we support the local communities in the areas where we do business is through sponsorship. We also participate in locally organised events and support local initiatives.



Achieved in 2023/24

E3 Spedition-Transport received the CSR award in the Aabenraa Municipality/Denmark in 2023 for our social responsibility where we want to create a more inclusive labour market.

In 2023/24, a new 'Risk management' initiative was launched for selected drivers: drivers were trained in preventive measures to avoid injuries and accidents at work.

Action Plan 2023/24

In 2024/25 we will continue our efforts through participation in projects and activities as in 2023/24.



Helene Mosh Steffens - office trainee specialising in finance at E3 Spedition-Transport, Padborg

Helene is an adult apprentice at E3 Spedition and Transport in Padborg. 'I was originally trained as a chef,' says Helene. In recent years I have worked as an unskilled office worker. It was important for me to get an education in what I do,' she continues. That's why I've now started as an adult apprentice/office trainee specialising in economics. Business economics was my favourite subject at school.

Helene has now been a trainee at E3 for almost a year. In Padborg, we handle the finances for both the Danish A/S and GmbH, i.e. the German part of the E3 Group. This means extra complexity and extra challenges for me.

When I started as an apprentice, I was given a training plan and an overview of the tasks/work functions that I have to complete during my apprenticeship. I was also given an overview of the colleagues I can seek guidance from in the different work areas. For me, a good manager is approachable and listening.

Good work is where there is room for both professional development and family at home, and where there is a good working environment - between colleagues. As a workplace, E3 fulfils both criteria,' says Helene. 'A good working environment can be important for attracting and retaining good employees,' she concludes.





5.3 Innovation and development

Our policy is

Professional solutions for our transport operations must ensure our customers' competitiveness and satisfaction with our cooperation.

It is our goal to continuously improve our ability to solve the tasks that our customers ask of us.

Our IT system, which we have developed for customisation in collaboration with our supplier, is a key starting point in realising our vision.

What we do

We work continuously to develop our services, for example by:

- Dialogue with customers.
- Developing solutions in collaboration with our customers.
- Employee development through training and education. For example, we train and develop freight forwarding apprentices and tailor our training programme to suit each apprentice.
- E3 contributes actively to the training of new employees in the profession through the training of apprentices. By 2025, there will be a total of ten apprentices in training at E3. One in Denmark as a freight forwarder apprentice, and nine in Handewitt: five in transport and freight forwarding and four in warehousing.
- The IT system is the “backbone” of our business model.
- In 2023/24, E3 has implemented procedures to ensure that E3 fulfils the requirements of the EU NIS2 Directive.



Marko Spieler - driver at E3 Spedition-Transport, Handewitt

Marko Spieler has been a truck driver since 1985, for the past 17 years he has driven for E3. Today he drives special goods between Germany and Denmark.

He is away from home from Monday to Friday. The increase in truck traffic, especially in Germany, means that the work of a driver is becoming increasingly difficult. Congestion and queues where traffic comes to a standstill can mean that the kilometres that can be covered within the daily driving time become fewer. 'We therefore drive at night whenever possible,' says Marko Spieler.

Like his colleagues, he finds that the increasing truck traffic has led to a shortage of parking spaces along the motorway network. 'As drivers, we have an important task in planning the route and driving times to minimise waiting time in queues and optimise the chance of finding a free parking space when it's time to rest.

The good dialogue, respect and trust between drivers and dispatchers that we have at E3 are important prerequisites in the daily collaboration. 'I often find that the dispatchers consult with me when planning a route,' says Marko Spieler.





5.4 Human rights and anti-corruption

Our policy is

Our business is built on respect and honesty, so it is natural for us to want to respect international human rights and to expect our suppliers and partners to do the same.

Similarly, we do not accept corruption such as bribery and money laundering at the E3 Koncernen, neither do we accept the same from our partners/suppliers.

What we do

Through dialogue with our subcontractors and other partners, we ensure that they are aware of our approach to human rights and anti-corruption, and we follow up if we find any discrepancies.

The E3 Koncernen works with diversity at several levels, as we consider diversity to be a strength that contributes positively to the concern's development. We, therefore, strive to achieve a balanced gender distribution at the various management levels. However, our desire for diversity will not be at the expense of competencies in our recruitment.

Achieved in 2023/24

In 2021/22, we have prepared a "Code of Conduct" which establishes the above conditions.

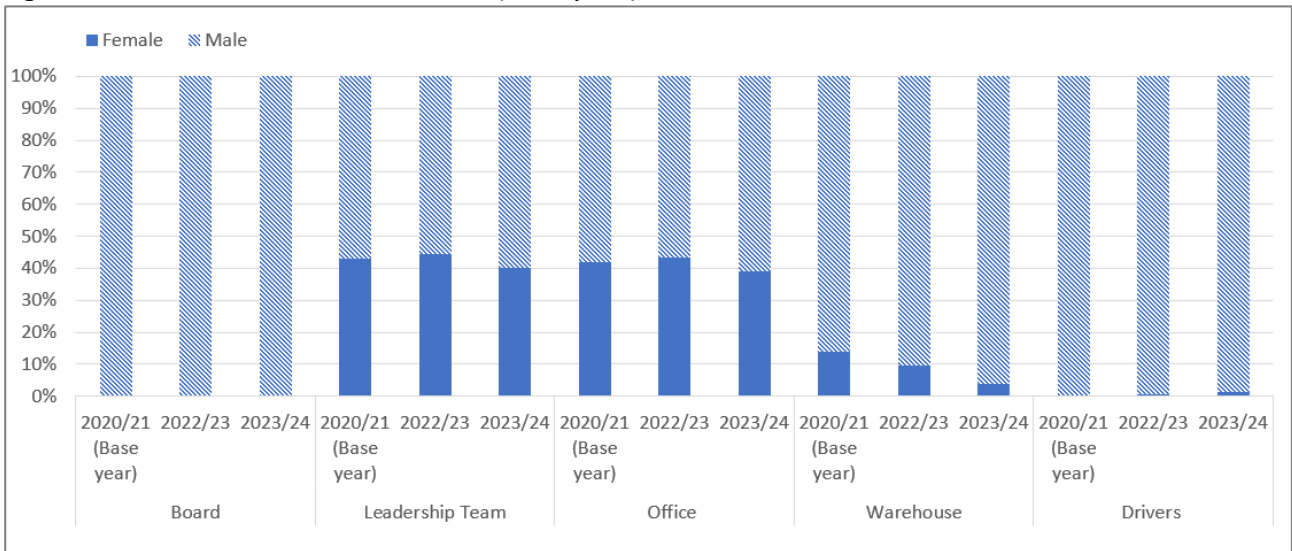
It now forms the basis for dialogue with our regular partners and all employees are informed about its content and significance.

In 2023/24, there have been no deviations among E3's permanent subcontractors in relation to the company's stance on human rights and anti-corruption.

Figure 4 shows the gender distribution of employees at E3 for board, management, office, warehouse and drivers, respectively.

The Board of Directors, which consists solely of men, has set preliminary target figures for the number of women on the Board of Directors and at other management levels at 25%. As shown in the table, the distribution in the management group lives up to the target figure, but the proportion of women on the board does not meet the target.

Figure 4. Gender distribution 2020/21 (base year), 2022/23 and 2023/24



Action Plan 2024/25

In the coming year, we will maintain our practice of explicit dialogue with our partners and employees based on the now adopted based on the now adopted “Code of Conduct”.

The goal is to fulfil the Board's target for female representation by the end of the 2024/25 financial year at the latest.

6 STATEMENT ON “DUE DILIGENCE”

The E3 Koncernen has formulated policies for areas where risks have been identified in this CSR report and, where appropriate, actions are also described.

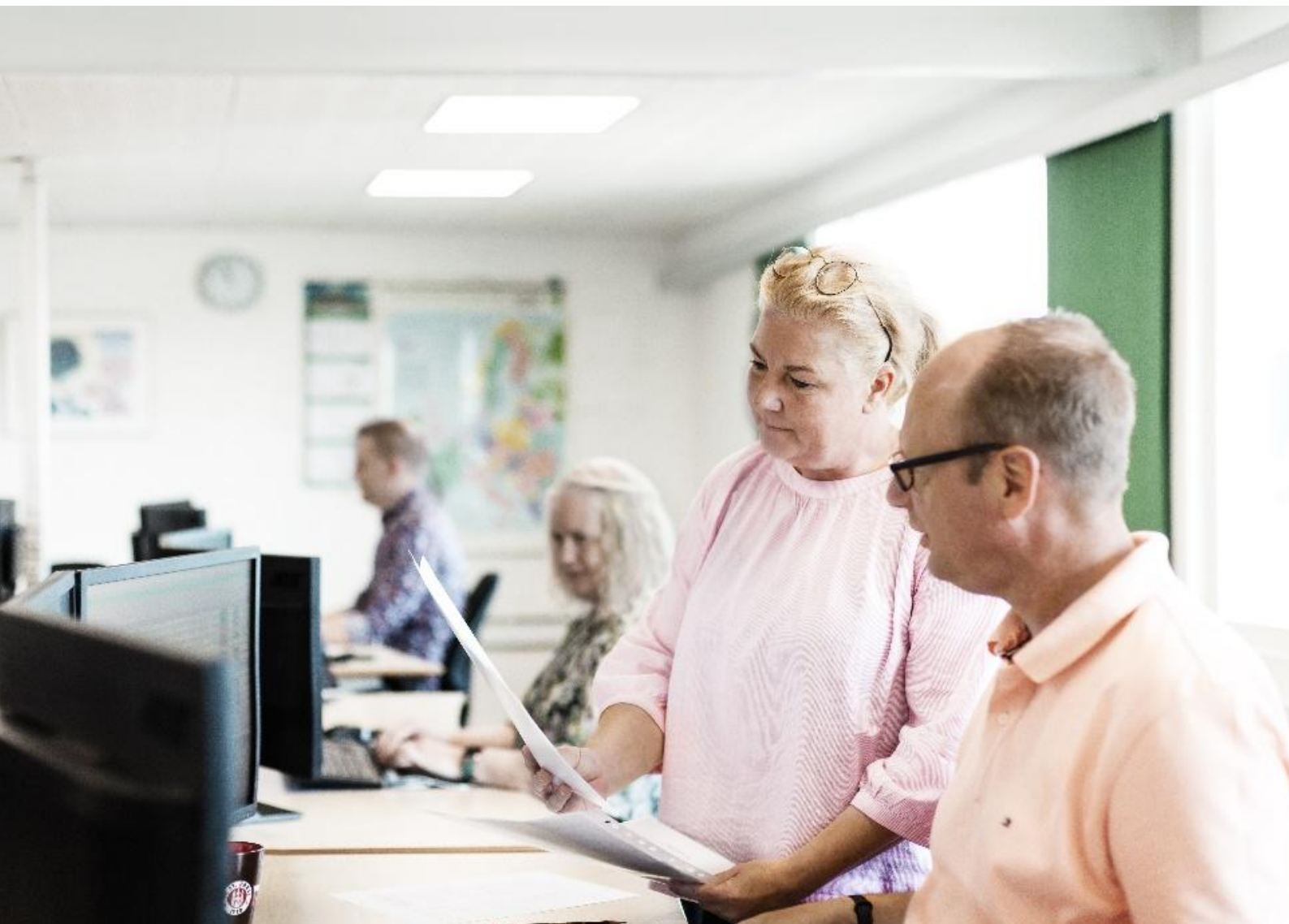
The concern’s CSR report is reviewed at management meetings. In the context of the annual financial reporting, the status of planned actions and proposals for objectives and action plans for the coming period are presented to the Board.

The concern’s CSR report is reviewed at the bi-annual staff meetings and at the introduction of new employees.

The concern’s policy is incorporated into the employee handbook of the individual companies in the Koncernen.

The CSR report is reviewed with E3’s main subcontractors.

As mentioned above, in 2021/22 a “Code of Conduct” has been prepared clarifying expectations and requirements for employees, suppliers and other partners.



7 PERFORMANCE DATA

	Note	2020/21 (Base year)		2022/2023		2023/24		Unit
Social performance								
Employees								
Amount of employees		282		223		223		
Gender distribution								
		<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	
Board		0%	100%	0%	100%	0%	100%	
Leadership Team		43%	57%	40%	60%	40%	60%	
Office		42%	58%	39%	61%	39%	61%	
Warehouse		14%	86%	4%	96%	4%	96%	
Drivers		0%	100%	1%	99%	1%	99%	
Environmental performance								
Energy consumption (t-w)								
<i>Scope 1</i>								
Transport (own Trucks)	7	134.045	38%	129.347	33%	118.923	32%	GJ
Buildings (Nature gas)		n.a.			0,0%		0,0%	GJ
<i>Scope 2</i>								
Electricity		1.150	0,32%	1.240	0,3%	1.083	0,3%	GJ
<i>Scope 3</i>								
<i>Upstream contribution own Trucks</i>								
Transport (Subcontractors)	7	220.550	62%	255.799	66%	251.440	67%	GJ
SUM (scope 1, 2 and 3)		356.894	100%	387.625	100%	372.529	100%	GJ
GHG-Emissions								
<i>Scope 1</i>								
Transport (own Trucks)	5	9.537	30%	9.057	25,3%	8.327	24,2%	Ton CO2(e)
Buildings (Nature gas)	6	n.a.		23	0,07%	27	0,08%	Ton CO2(e)
<i>Scope 2</i>								
Buildings (Electricity)	6	52	0,2%	0		0		Ton CO2(e)
<i>Scope 3</i>								
Transport (upstream eigene LKW)	5	2.365		2.947	8,24%	2.710	7,88%	
Transport (Subcontractors)	5	19.584	62%	23.739	66,4%	23.334	67,8%	Ton CO2(e)
SUM (scope 1, 2 og 3)		31.538	100%	35.766		34.397		Ton CO2(e)
Other resource consumption								
Water m3			n.a.	1.017		1.081		m3
Environmental performance KPIs								
CO2(e) pr. TonKm	1		0,065	0,057		0,063		Kg pr. tkm
Liter/Km (own Trucks)	2		0,29	0,28		0,27		Liter pr. km
Empty trips	3		11%	11%		14%		
Average. Euronorm	4		6	6		6		



Notes: This is how we made our calculations

Note 1.

Emissions of CO₂ (e) per tonkm are calculated on the basis of the consumption of diesel per kilometres driven (for our own vehicles, this figure also applies to subcontractors) the average share of unladen driving and the average weight of goods on the truck (when loaded).

Note 2.

Km/litre for own trucks is calculated based on the total operation and our consumption of diesel based on the settlement with our suppliers. There is no information on km/litre for subcontractors. It is assumed that the km/litre in all financial years has been the same as for E3's own trucks in the base year (2020/21).

Note 3.

The proportion of driving without goods is calculated on the basis of fair sampling from our disposition system. The calculation is made for E3's own vehicles as well as for the subcontractors who have vehicles at the disposal of E3. It is assumed that this key figure also applies to other mileage driven by E3's other subcontractors.

Note 4.

The average Euronorm includes E3's own vehicles as well as the trucks of subcontractors at the disposal of E3.

Note 5.

The CO₂ emissions from the transports carried out are calculated on the basis of the total number of kilometers driven by E3's own vehicles and subcontractors and the average consumption of diesel per kilometre driven (see note 1).

Diesel consumption is the basis for calculating total CO₂ emissions. For the year 2022/23, emissions per litre of diesel (emission factors) were used in accordance with the calculated GLEC framework V 3.0. It is assumed that on average 5% biodiesel is added to the fuel. Note that the emission factors for previous years have been taken from the standard "DS EN 16258", Methodology for calculation and declaration of energy consumption and GHG emissions of transport services (freight and passengers).

Note 6.

The calculation of CO₂ emissions from the consumption of electricity in E3's own premises is calculated on the basis of the total consumption in Denmark and Germany and the suppliers' indication of CO₂ emissions per kWh. In Denmark, 100% wind power is purchased from ScanEnergi. In Germany, CO₂ emissions have been calculated on the basis of the information provided by the supplier, Stadtwerke Flensburg GmbH. See also the comment under note 5 on the statement period. Source of emission factor for natural gas: Evida.dk

Note 7.

The energy consumption for transport is calculated on the basis of the total consumption of diesel and on the basis of the standard ISO 14083 and GLEC Framework V 3.0 (see note 5).

8 WORDS, ABBREVIATIONS AND EXPRESSIONS

CO₂ (e) (carbon dioxide equivalents)

Carbon dioxide (CO₂) is produced by the combustion of fossil fuels. Globally, carbon dioxide is the most important climate gas. At the European level, the transport sector accounts for approximately 32% of total CO₂ emissions. In addition to CO₂, the global agreement on the reduction of greenhouse gases (the Kyoto Protocol), stipulates that the greenhouse gases are: Methane (CH₄), Nitrous oxide (N₂O), Hydro fluorocarbons (HFCs), Perfluorocarbons (PFCs), and Sulphur hexafluoride (SF₆). Emissions of the six climate gases³ are often calculated as a total value CO₂ (e) (carbon dioxide equivalents), where the contributions of the six gases are added together weighted according to their contribution to global warming.

CO₂ (e) values are calculated as 'well to wheel', i.e. the total emissions including the contribution from the processes of extraction, refining, and transport of the fuel to the fuel tank of the means of transport, and 'tank to wheel', which are the emissions from combustion in the engine of the means of transport only.

The Paris Agreement

The Paris Agreement is an agreement that commits UN member states to jointly achieve the goal of keeping the global temperature rise below 1.5 degrees Celsius. The Paris Agreement sets a target of a significant reduction in global CO₂ emissions of at least 45% by 2030 - with rich countries reducing the most. And by 2050, net emissions of CO₂ must be 0.

The Paris Agreement was signed in 2015 when the world's politicians met in Paris to discuss global climate change. In Europe, the EU and its member states have taken the lead in the transition. The 'Fit for 55' strategy contains a wide range of measures to ensure that we in Europe fulfil the commitments of the Paris Agreement and at the same time create new growth.

Many large and small companies around the world have committed to meeting the Paris Agreement's CO₂ reduction targets, including through participation in initiatives such as the Science Based Targets initiative.

ESG

ESG stands for Environmental, Social and Governance and refers to three key factors in relation to ethical investments and companies' impact on climate, environment and people in the surrounding society.

Today, ESG is used as an overall framework for companies' work with sustainability, including strategy, management, reporting and key figures. ESG can include, for example:

³ See for example the list in GLEC V3.0



E: Environmental factors

CO2 emissions, resource consumption, pollution, waste, environmental conditions, biodiversity and circular economy.

S: Social factors

Working conditions, both for the company's own employees and its suppliers, such as sick leave, inclusion of people on the margins of the labour market, diversity, gender equality, occupational accidents and employee satisfaction.

G: Corporate governance

Leadership, business ethics, corporate culture, anti-corruption or political engagement.

Which ESG factors are most relevant varies from company to company.

The UN Sustainable Development Goals

The UN's Sustainable Development Goals (SDGs) consist of 17 specific goals and 169 targets that commit all UN member states to end poverty and hunger, reduce inequalities, ensure good education and better health for all, decent jobs and more sustainable economic growth.

More companies are using the SDGs as an overarching framework for how they can contribute to sustainable societal development.

CSR, corporate social responsibility

CSR stands for Corporate Social Responsibility and is a term for companies' work with social responsibility. It means that companies must take human rights, social and ethical issues, labour conditions, climate, environment, etc. into account in their business activities.

Many companies work strategically with CSR and describe their efforts in a CSR report. However, more and more companies are now using ESG and ESG key performance indicators.

Climate accounting

A carbon footprint is an accounting that measures a company's total carbon footprint caused by its activities. The carbon footprint is part of the company's ESG data.

The annual climate report shows the reduction targets achieved in the past year. The climate report is therefore also the starting point for a company to prioritise future efforts to reduce its CO2 emissions.

The GHG Protocol

Most companies that work strategically with climate change use the GHG Protocol to calculate and compile their carbon footprint. It is internationally recognised and the leading standard.

The GHG Protocol divides CO2 emissions into 3 categories - also called scopes:

Scope 1 is the direct CO₂ emissions from activities that the company itself controls. This includes emissions from owned and leased vehicles, as well as own facilities for heat and energy production, such as gas and oil for process or heating.

Scope 2 is the indirect CO₂ emissions from the energy the company purchases, i.e. electricity or heat.

Scope 3 is all CO₂ emissions related to the company's activities that arise from sources over which the company has no ownership or control. For example, these could be CO₂ emissions associated with
to the supply chain (also called upstream emissions) or CO₂ emissions associated with the use and disposal of a product (also called downstream emissions).

CO₂ emissions from transport

The transport industry has specific rules and methods for reporting and calculating the amount of CO₂ emitted.

ISO 14083

In 2023, the global standardisation body ISO published a global standard for calculating CO₂ emissions for the transport industry called ISO 14083. ISO 14083 follows the principles of the GHG Protocol but is more detailed in certain areas.

Countemission

In July 2023, the EU has presented a proposal for a binding set of rules for Member States, Countemission, which will become mandatory when adopted. According to this proposal, carbon statements, such as those companies provide to their customers or include in their climate reports, must be in accordance with ISO 14083.

GLEC framework

In October 2023, the GLEC framework, an industry network, released guidelines for carbon reporting in logistics (freight transport). These guidelines follow the principles of the new ISO standard, ISO 14083, and are currently used by many large companies globally.



EURO STANDARDS.

Since the early 1990s, the European Union (and before that the United Nations) has required heavy-duty diesel vehicles over 3.5 tonnes to comply with certain limit values for emissions of air pollutants – the Euro standards – when they are first registered. Over the years, the standards have been tightened several times. Entry into force and limit values are set out below. A new Euro 7 standard was adopted in 2024 and is expected to come into force in 2026.

Emissions limit values of NO_x, HC, CO, and particulate matter (PM) from heavy-duty diesel vehicles (g/kWh) for EURO 3, 4, 5, and 6 trucks, and date of introduction of engine technology.

	NO _x	HC	CO	PM
EURO 3 - Type approval 1/10 2000, new vehicles 1/10 2001	5,0	0,66	2,1	0,10
EURO 4 - Type approval 1/10 2005, new vehicles 1/10 2006	3,5	0,46	1,5	0,02
EURO 5 - Type approval 1/10 2008, new vehicles 1/10 2009	2,0	0,46	1,5	0,02
EURO 6- Type approval 31/12 2012, new vehicles 31/12 2013	0,4	0,13	1,5	0,01

NO_x (Nitrogen oxides) is a collective term for compounds of nitrogen (N) and oxygen (O). Nitrogen oxides are produced by all combustion processes and contribute primarily to the acidification of subsoil and groundwater and can cause respiratory problems.

HC (Hydrocarbons) are formed by incomplete combustion of fossil fuels. Hydrocarbons are the common name for methane and non-methane hydrocarbons (NMHC). Some hydrocarbons are carcinogenic. In addition, hydrocarbons contribute to ozone formation and the greenhouse effect.

Particles from diesel engines pose a significant health risk in the immediate environment, increasing, for example, the risk of cancer. New engine technology (particulate filters) contributes to the reduction of particulate matter in exhaust gases.