

Sustainability

Group Policy Statement



**DANX
Carousel**

About the DANX Carousel Group

The DANX Carousel Group of companies (hereafter “The Group”, “We”, “Our”) is a time critical service logistics specialist with strong positions in the UK, Ireland, BeNeLux, DACH, Iberia, Nordics, Baltics and Poland.

The Group is the comprehensive partner for logistics and supply chain services such as time-critical spare parts distribution, warehousing, final mile, linehaul, battery logistics, customs clearance, and more. The Group consists of DANX, DANX ILS, UT, TBS, Fomab, TLS Group, Carousel, Alltrans, Logik International Logistics and LPR.

Our values encompass our commitment to Caring, Learning and Ownership and these are embedded in our everyday work.

We support



10 principles of the UN GLOBAL COMPACT

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

International Labour Organisation

ILO Declaration of Fundamental Principles and Rights at Work:

- (1) Freedom of association and the effective recognition of the right to collective bargaining;
- (2) The elimination of all forms of forced or compulsory labour;
- (3) The effective abolition of child labour; and
- (4) The elimination of discrimination in respect of employment and occupation.

SUSTAINABLE DEVELOPMENT GOALS



Goal 5 – Gender equality



Goal 8 – Decent Work and Economic Growth



Goal 13 – Climate Action

1. Scope of Policy

The scope of the Sustainability policy applies to all stakeholder groups including both upstream and downstream within the value chain, including management; employees; contract workers; suppliers and partners of all entities in the Group as well as for subsidiary companies owned and operated by the DANX Carousel Group across our geographies and countries and the wider communities in which it operates and through which material impacts, risks or opportunities relate.

2. Our Commitment

The DANX Carousel Group is committed to meeting its responsibility and to gain insights into its stakeholders with respect to The Sustainability Policy as defined by the fifth, eighth and thirteenth Sustainable Development Goals and UN Guiding Principles identified as strategic pillars to The Group. We seek to align our processes with the minimum requirements in the UN Guiding Principles (UNGPs) on Business and Human Rights, the International Labour Organisation (ILO) principles and the OECD Guidelines for Multinational Enterprises (OECD).

Throughout the Environmental, Social and Governance (ESG) program of work the Group is committed to lead the service logistics industry in Europe in the

- **(E)** decarbonization of transportation & logistics activities through
- **(S)** engagement with and inclusion of our personnel and communities to enhance our local environments, both ecologically and socially, while setting a high standard of
- **(G)** accountability, integrity and transparency of sustainable business activities, to the benefit of our global stakeholders.

3. Aims of the Sustainability policy

The summary aim of this policy is to:

- **Communicate** the Groups stance on sustainability as a program of work, outlining its commitment with respect to **The Sustainability Policy**, and to provide its commitment to **transparency and unbiased dialogue** with all our stakeholders on sustainability.
- **Align with the key objectives** in the regulatory governance and UN Guiding Principles on business conduct and through which material impacts, risks or opportunities relate.
- Provide **process awareness, guidance and training** to all relevant stakeholders on appropriate behaviour when it comes to this policy.
- **Align its business activities** to the 3 categories within our Environmental, Social and Governance program.
- Outline our position on **reporting and transparency** in-line with national and international law, UN guidelines, governance, and regulatory requirements on how to report; Infringements and consequences of such breaches; our commitment to training, and awareness of its content.

We expect our suppliers and contractors to share our regard and respect of this policy, and this is reflected in our Supplier Code of Conduct which can be found on our websites: <https://www.danxcarousel.com> Nordics: <https://www.danx.com/> and for Western Europe: <https://www.carousel.eu/en/>

4. Sustainability Policy – Program of work

Our work within sustainability is divided into 3 areas under 1 program of work: Environmental Impact, Social and Governance.

5. Environmental Impact

The Group is committed to minimizing the impact of its business activities on the environment through an aggressive decarbonization schedule. The targets can be viewed on the website. These goals are to be achieved through several different opportunities; network optimization, fuel substitutions and product replacement that reduce and/or eliminate GHG emissions.

The Group is measuring and reporting its GHG emissions for the purpose of reducing them in line with the 2015 UNFCCC Paris Accords and Europe's Corporate Sustainability Reporting Directive (CSRD).

Third-party suppliers providing outsourced transportation and logistics services are held to environmental protection measures in the Supplier Code of Conduct, as well as appropriate governance principles.

6. Social

At the centre of all we do is our people. We are committed to caring for our employees, partners and local communities through strategic initiatives whilst adhering to the UN Universal Declaration of Human Rights and the internationally recognized labour rights.

We focus our work on 4 strategic pillars:

Pillar 1 – Health, Wellbeing and Safety

The health, wellbeing and safety of our employees and partners always takes priority and we continuously work on improving all three parameters with a variety of initiatives.

We conduct yearly engagement surveys which allow us to see how we are doing, follow the impact of our initiatives and to know where we need to take action to improve further. The next two years, we will focus on initiatives that lead to reducing stress-related absence through prevention and enhancing our capabilities within stress management. We will also continue working locally on action plans to prevent accidents. We believe that the variety of initiatives are pivotal for our work with Health, Wellbeing and Safety.

Pillar 2 – Learning and Quality Education

Learning and quality education is key to staying ahead of the curve – both as an individual and as a company. Learning is a core company value, and it is our goal to ensure equal access to learning and development opportunities for all our employees regardless of function or role. We invest in both internal and external training as well as supporting learning in the local community through our DANX Carousel Foundation (see pillar 3).

Pillar 3 – Community Engagement

We want to make a positive difference in our local communities through engagement and inclusion. To make an actual impact, we have established the DANX Carousel foundation. The purpose of the DANX Carousel Foundation is to promote the positive social impact of DANX Carousel both in our business and the near communities. DANX Carousel Foundation supports various forms of learning and education for our own employees as well as talents connected through near family, partners, or the broader industry of logistics. We also support and care for local charities through the Foundation and enable our employees to engage directly with charitable causes through donating two workdays per year.

Pillar 4 – Diversity, Equity and inclusion

Diversity, Equity and Inclusion (DEI) are more than just an ethical responsibility. It is part of being a caring company, and simply delivers better business results. Our focus on DEI is based on our strong belief that a diverse workforce that provides an environment which is inclusive and provides equal opportunities are fundamental to being an attractive workplace. Diversity is about much more than gender equality – that is however where our current focus will be. We are aligned with Goals 5 and 8 of the UN Sustainable Development Goals (SDGs) and are making Gender Equality a key part of our strategy moving forwards. Goals have been agreed upon which are outlined in our Social Strategy up until 2027.

7. Governance, Safeguarding and responsible business conduct

The Group has zero-tolerance against any form of corrupt, fraudulent behaviour or human rights violations.

Based on Governance requirements and sustainability commitments The Group, continually checks and audits the controls and quality of its Governance, Health & Safety, procedures and standards throughout the businesses stakeholders, functions and systems. Ensuring that the commitments, spirit and requirements of its mandatory, regulatory and legal obligations are met.

Upheld by The Board of Directors, who are committed to the regular and continual review and assessment of governance and material risks under the Corporate Sustainability Reporting Directive (CSRD) to ensure that they have visibility across all areas of the business; and where and when required; apply strategic treatment of these risks to ensure the Group remains compliant both in its ESG and CSRD programs through which it conducts itself with integrity throughout its businesses. To this end, The Group has enacted a Group-wide **Code of Conduct for its Employees and Suppliers**, outlining its standing on conduct and ethical expectations, this is supported with open communication, training and continual review.

Combined with the above sections The Group is also committed to the below points:

- Conduct annual due diligence to identify how our organization may cause, contribute to, or be linked to potential and actual adverse impacts on the UN Global Compact ten principles and the UN Sustainable Development Goals including the human rights stated in the International Bill of Human Rights and the core labour rights from the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.
- Identifying actions to prevent or mitigate actual or potential adverse impacts identified and track implementation. In instances where an adverse impact has occurred, we seek to provide for access to remedy (for example apologies, restitution, rehabilitation, financial or non-financial compensation, etc.).
- Develop and mature our efforts, we will set ambitious targets and communicate transparently about progress and challenges in our annual sustainability reporting.

8. Monitoring Breaches

The Group is committed to identifying potential and actual adverse impacts that this policy and our conduct of business may cause or contribute to, and strives to recognise and record through targets, to prevent such impacts, and mitigate or remedy using action plans.

9. Consequences of Breach and Infringements

Whilst we appreciate that there may be some differences in applicable national laws versus international laws we apply our policies across all relevant stakeholders and we will adhere to the national and international laws as a minimum and respect the guiding principles of the UN Global compact, ILO and any other interested regulatory bodies that are applicable to the work that we carry out. If we receive any reported infringements; we will act appropriately for clarification and will take appropriate corrective actions.

If we suspect that anyone working for or on behalf of the DANX Carousel Group has committed a breach of this policy, an investigation will be carried out and, in line with our disciplinary procedure where appropriate, action may be taken which may result in dismissal, or in the case of a supplier/partner action up to and including termination of contract. In some circumstances, under relevant law, the Group may be legally required to share details with such authorities, and we will comply with such requirements at all times.

The outlined topics within this policy are significant for the way we commit to and govern our conduct throughout our business.

10. Raising concerns

Any employee with concerns may raise these through our employee mechanisms for raising workplace-related grievances. We encourage employees who have a concern to talk in the first instance to their line manager, or alternatively to raise their concern with their HR or compliance representatives. If neither of these options is possible, the DANX Carousel Group's whistle blower system enables all stakeholders (internal and external) to speak up about violations in relation to this policy without fear of retaliation.

We will support all who report violations as well as those who request assistance or have concerns. If any concerns or illegal or unethical business behaviour is suspected or detected, you can report it to us via our whistle-blower system. Our whistle blower system Safe2Whistle can be accessed here:

<https://report.whistleb.com/en/danxcarouselgroup>. It is operated across the business by an independent third party (Bech.Brunn) appointed by the DANX Carousel Group. All issues raised through the Whistle Blower system are monitored by the third party and the Group whistle blower team. Reporting is carried out confidentially, and stakeholders can choose to share their concerns anonymously.

11. Training, Communication, Awareness

The Group is committed to raise awareness and knowledge of this policy amongst its' stakeholders, by providing specific awareness through training and communication on related matters within this policy.

Training, communication, and awareness of policy is a fundamental requirement of our business. We advocate transparency of all policies and where appropriate training takes place either at point of Induction of employees, or as part of an annual commitment to ensure that policy is communicated and awareness refreshed effectively. All stakeholder policies are available on our intranet and websites.

12. Stakeholder Engagement

We acknowledge our business is operated as part of an extended community of stakeholders, and as part of our regular dialogue with them we respect their view and expectations regarding this policy as outlined in the Employee and Supplier Codes of Conduct.

13. Reporting and monitoring

We communicate and report on The Sustainability Policy activities and related commitments of training and awareness as applicable to our stakeholders and as part of our annual reporting.

14. Culture of continuous improvement

As part of our culture of continuous improvement we regularly evaluate against targets and review how we can best improve and strengthen our approach to addressing our policies supported through our values of Caring, Learning and Ownership.

15. Accountability for this policy

The responsibility for oversight over sustainability matters rests with the Board of Directors while the accountability for management of sustainability matters ultimately rests with the Group CEO. The CEO is responsible for allocating adequate resources to comply with the Sustainability Policy.

16. Adoption of Policy

The Danx Carousel Group's Sustainability Policy statement was adopted by the Executive Leadership team management on **1st January 2025**. This policy is reviewed annually for compliance content or as required if changes to legislation apply sooner.

Review and revision of Policy

This policy will be reviewed and revised annually for compliance to the policy content or as required if changes to legislation apply sooner.

Contact

If you have any questions relating to the content of this policy please direct them to
groupcompliance@danxcarousel.com