



SUSTAINABILITY REPORT 2021

Delivering sustainable supply
chain solutions through
technology & innovation



EV Cargo
29/F Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Hong Kong

Email: info@evcargo.com
Web: www.evcargo.com

This sustainability report covers the financial year ending
31 December 2021.

CONTENTS

WELCOME & COMPANY OVERVIEW

Welcome From Our Founder, Chairman & CEO	3
Business Overview	6
Company Overview & Highlights	7
Mission, Vision, Values & Purpose	9
Our Leadership Team	10
Sustainability Timeline	11

SUSTAINABILITY MANAGEMENT

Sustainability Management	13
Materiality & Stakeholder Engagement	14
Commitment To UN Sustainable Development Goals	17
10 Principles Of The UN Global Compact	19

OUR PLANET

Our Planet	21
Building A Sustainable Business	28

OUR PEOPLE

Our People	31
Employee Engagement	32
Diversity, Equity & Inclusivity	33
Training & Development	35

Health & Safety	38
Responsible Business	40
Our Customers	41
Community	42

GOVERNANCE

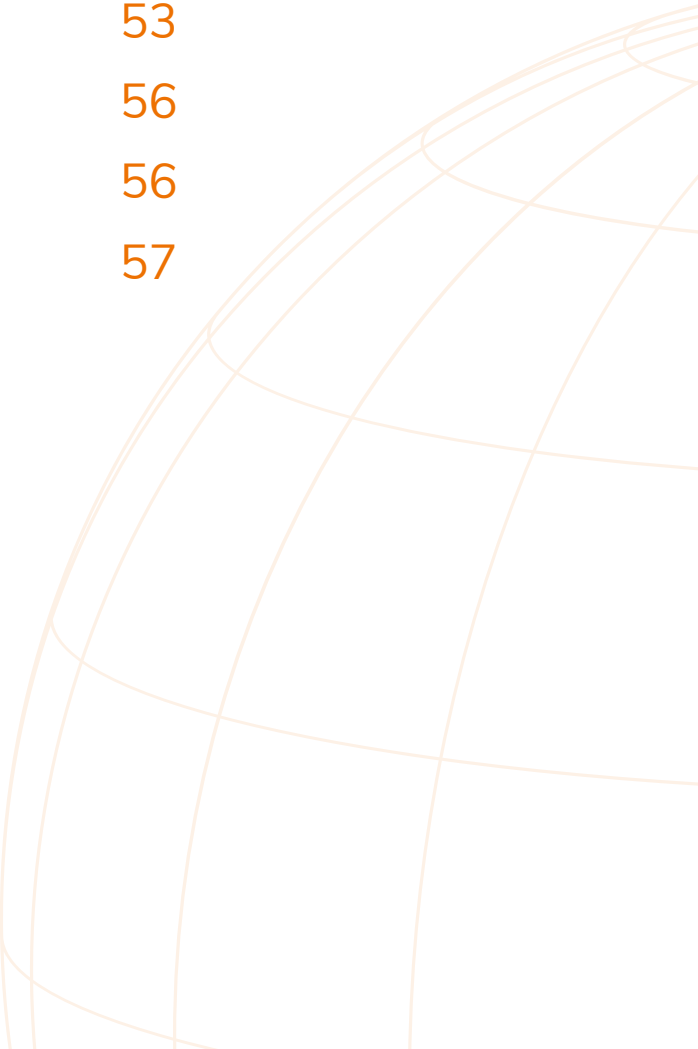
Governance	45
------------	----

VALUE CREATION

Value Creation	48
----------------	----

ABOUT THIS REPORT

About This Report	51
ESG Performance Data	52
GRI Content Index	53
SASB Index	56
United Nations Global Compact Index	56
External Assurance	57





EV Cargo Founder, Chairman and CEO Heath Zarin.

Welcome From Our Founder, Chairman & CEO

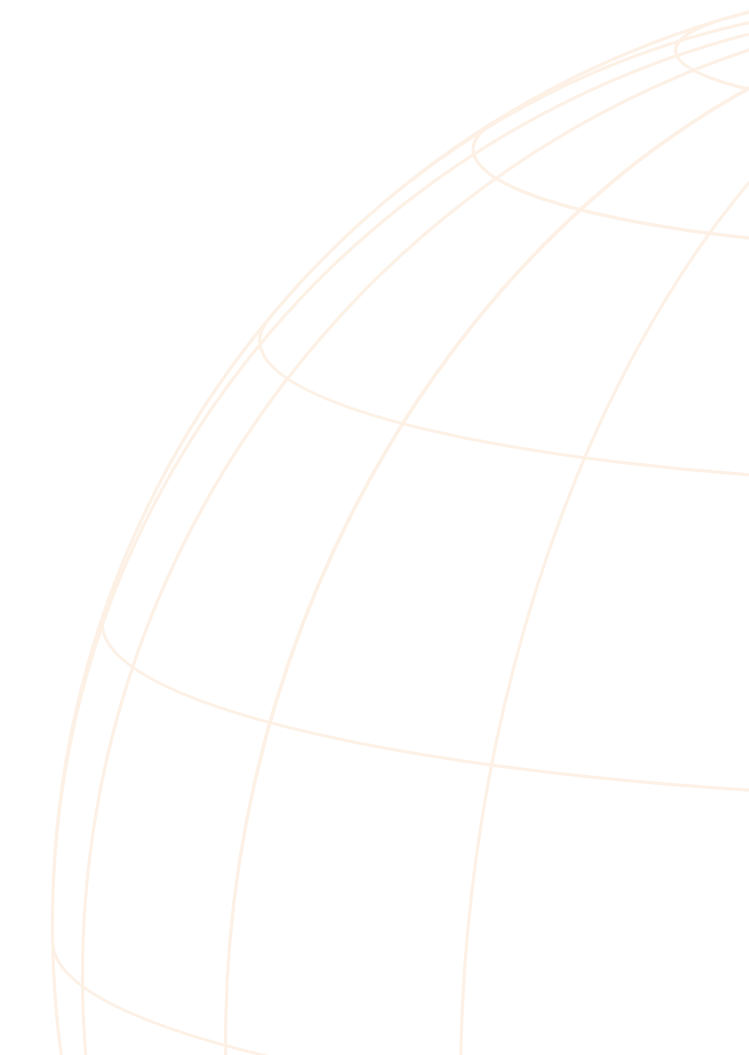
GRI 102-14

As a company committed to sustainability, EV Cargo is heartened to see the growing consensus on the urgency of climate action, and we are working with stakeholders to contribute to the global sustainability agenda.

I am pleased to share EV Cargo's inaugural sustainability report for the financial year ended 31 December 2021.

As part of our sustainability strategy, we have put sustainability at the core of the company's strategy. This includes both running our business sustainably and making sustainability our business through providing solutions that contribute to sustainable urbanisation and combatting climate change.

We are working with partners to support the achievement of the United Nations Sustainable Development Goals and have incorporated nine of the goals as a supporting framework to guide our sustainability strategy.



At COP26 last year, we endorsed a Global Memorandum of Understanding and committed to having 30% of new zero emissions medium- and heavy-duty vehicles by 2030 and 100% by 2040 to decarbonise logistics in the road transport sector. This signing demonstrates our support for this international collaborative agreement to help facilitate net-zero carbon emissions.

We are intently focused on becoming carbon neutral (scope 1 and scope 2) by 2030 and significantly reducing our scope 3 emissions. Achieving this goal will require us to work closely with our partners and customers to contribute to a cleaner and greener world.

We are committed to building an organisation where employees are engaged and motivated to give their best.

I am pleased to report that in the 2021 global employee engagement survey, the business achieved a strong overall engagement score of 70%, allowing us to understand where we have performed well and also identify areas for improvement.

EV Cargo respects and upholds the fundamental principles of human rights. We value and respect all employees, and our hiring policies ensure equal employment opportunities for all.

We are committed to diversity, including gender diversity. Approximately 27% of our executive leadership team currently comprises of women.

The executive team and senior management of EV Cargo oversees the management and monitoring of the economic, environmental, social and governance factors of the business, and take these into consideration in the determination of our strategic direction and policies.

They are also involved in the management and monitoring of these economic, environmental, social and governance factors through the Sustainability Committee and Sustainability Champions which comprise of representatives from various business functions across our business.

This report provides us with a valuable opportunity to engage our stakeholders and respond to issues that matter most to them and to our business, at the same time enhancing EV Cargo's assessment in risk management, strategy development and stakeholder engagement activities as we work to further focus and prioritise our sustainability and corporate social responsibility initiatives.

We welcome your views and feedback on our sustainability practices and reporting via email to sustainability@evcargo.com.



Heath Zarin
EV Cargo Founder, Chairman and CEO



EV Cargo Chief Sustainability Officer Dr Virginia Alzina.

An aerial photograph of a large port at sunset. In the foreground, a blue and red container ship is docked, loaded with colorful shipping containers. Several yellow gantry cranes are visible along the pier. In the background, a city skyline is visible under a dramatic sky with orange and blue clouds. A small tugboat is in the water near the ship. A faint white grid pattern is overlaid on the right side of the image.

COMPANY OVERVIEW

Managing supply chains for the world's leading brands and powering the global economy through technology-enabled logistics services.

Business Overview

GRI 102-1, GRI 102-2, GRI 102-5, GRI 102-7

EV Cargo provides a technology-enabled supply chain management and logistics execution platform for the world’s leading brands.

We are a purpose-led organisation focused on powering the global economy by offering unique mission-critical end-to-end supply chain solutions to more than 3,000 customers across the retail, consumer and industrial sectors.

Core Business Model

Formed in 2018 by EmergeVest and headquartered in Hong Kong, EV Cargo is a leading global freight forwarder and supply chain services provider.

EV Cargo's history dates back further than its founding in 2018, as EmergeVest built the company through a multi-year investment platform strategy, acquiring freight forwarding, logistics and technology companies via leveraged buyouts from founders and financial sponsors, as well as corporate carve-outs.

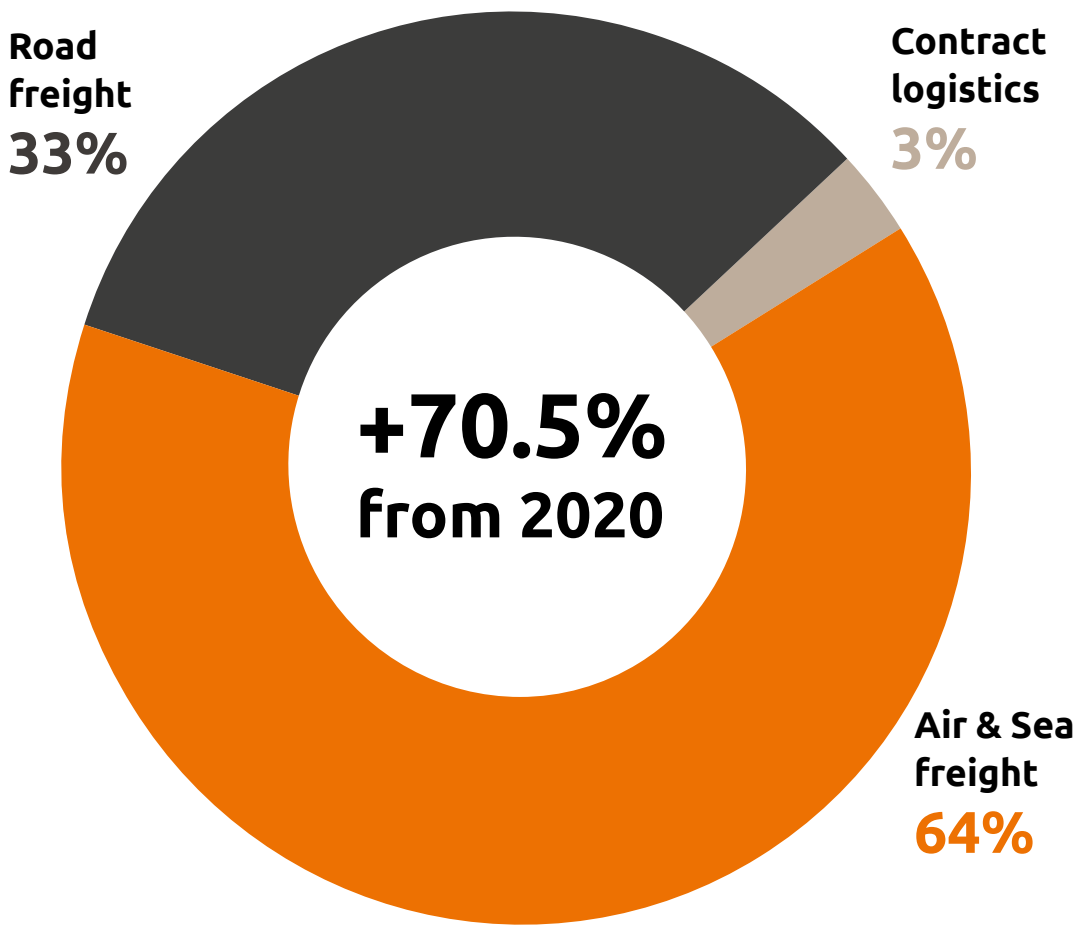
With our substantial UK logistics platform that complements our global air and sea freight networks, we act as a critical and fully integrated extension of

our customers’ supply chain organisations. Our proven success in M&A execution and integration has unlocked value and evolved EV Cargo into a leading global logistics provider, with a target to surpass £2.5 billion of revenue by 2025.

Guided by our core values of growth, innovation and sustainability, and powered by our skilled global workforce, EV Cargo is committed to its vision of driving the digital transformation of logistics, through its proprietary tech platform ONE EV Cargo.

Simply put, EV Cargo is all about excellent people providing industry-leading technology-enabled supply chain solutions to great businesses.

2021 Revenue: £1.127 billion



20,000 operatives use our software



6m sq ft warehousing



286,000 TEU sea freight



35m kg air freight



3.9m orders managed



485 own trucks 1,500 trailers



2,300 supply chain professionals



3,000 global customers

Company Overview & Highlights

GRI 102-3, GRI 102-4, GRI 102-6, GRI 102-9, GRI 102-10

Our global network includes direct investments in 24 countries and operational coverage in 150. Our 2021 revenue surpassed £1.1 billion as we moved more than £40 billion of merchandise between 700 country pairs.

Core Business Model

EV Cargo is a global supply chain and logistics execution platform providing air and sea freight, road freight and contract logistics, along with associated technology services.

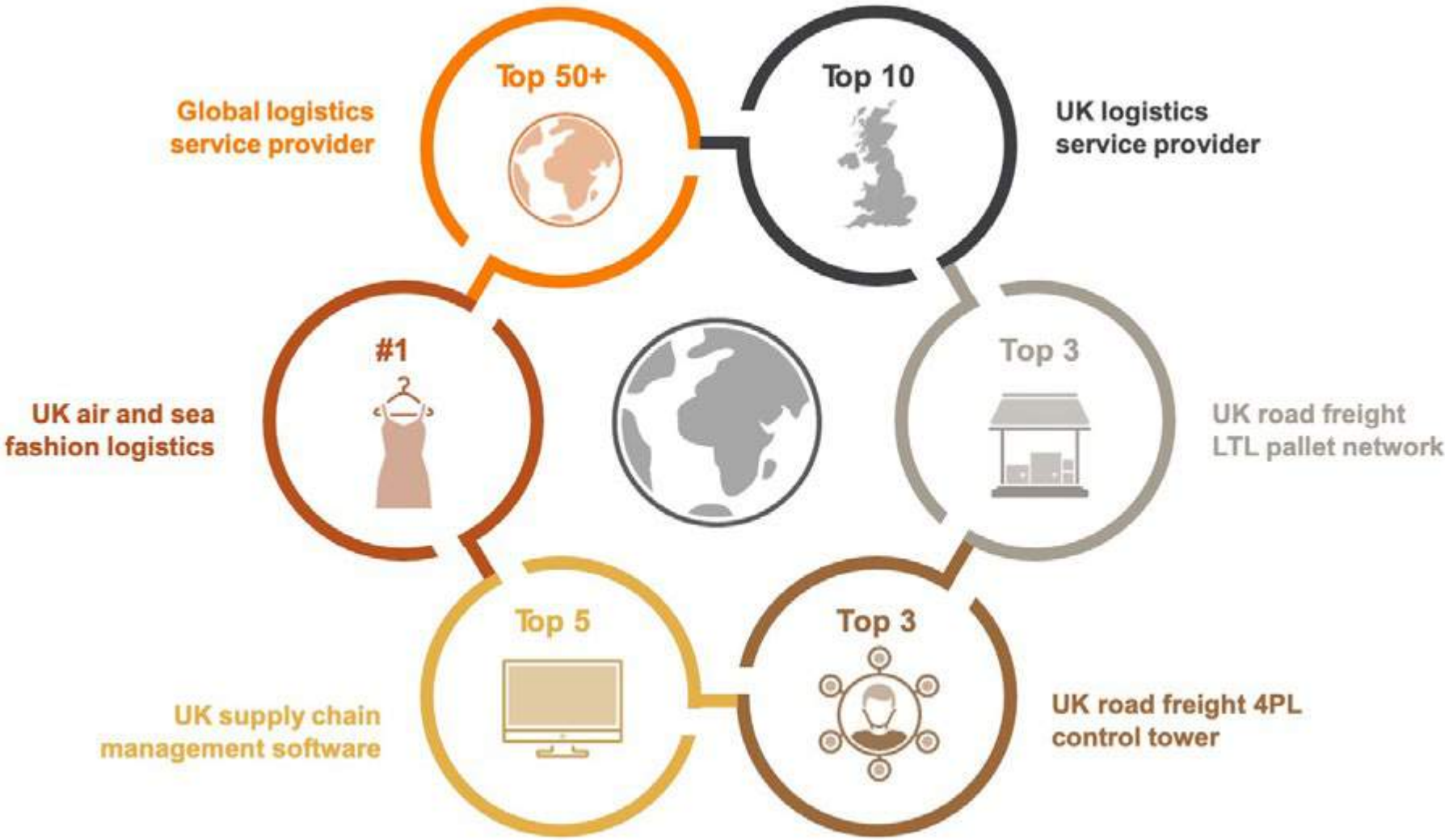
Our combined range of customer solutions enable the secure and sustainable global movement of goods, data and funds spanning the entire value chain.

EV Cargo’s core business model is to provide supply chain management and technology solutions across air, sea, road and rail; through freight forwarding, freight management, contract logistics and SaaS software services.

We operate predominantly across three geographical areas - UK, EMEA and APAC - and have particular strength and expertise in the flow of goods from Asia into Western Europe, especially the United Kingdom, feeding into a substantial and fully integrated logistics platform of warehousing, fulfilment and multimodal final mile delivery.

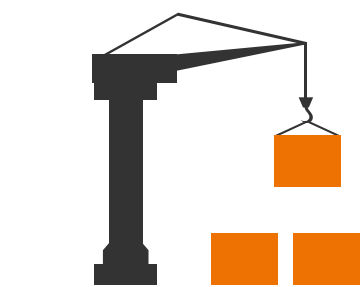


We provide a technology-enabled supply chain management and logistics execution platform for the world's leading brands.



24	Countries where EV Cargo is directly invested, either by subsidiary or joint venture.
150	Countries where EV Cargo operates through a long-established agent partner.
4	Regional hubs: London (UK and Europe), Dubai (Middle East, Africa and South Asia), Singapore (South-east Asia) and Hong Kong (North Asia).

Air & Sea Freight



Over 80 export
markets each month



Over 130 destination
markets each month

Through our air and sea freight forwarding activities and related supply chain technology services, EV Cargo is a leading digital platform for global trade.

We offer technology-enabled global freight forwarding services and are a market leader in the transportation of freight from Asia to the UK, with meaningful competitive scale delivered by a committed and highly experience team of professionals.

Our global air and sea freight services serve over 1,000 customers with 700 active country-pair trade lanes each month. They include origin cargo management services such as consolidation and quality control, in addition to destination services including customs clearance, cross-border e-commerce fulfilment, storage and final mile delivery services.

Customers use the EV Cargo platform to source, select, order, ship, track, clear customs and deliver international shipments.

Road Freight



4.7m pallets of
LTL road freight



100,000 collection
locations served

EV Cargo is a leading UK and European road freight provider, offering our customers managed access to an integrated fleet of over 15,000 trucks.

Our road freight proposition is underpinned by ONE EV Cargo, the proprietary technology stack that enables a fully digital customer experience, and by a deep pool of road carriers supported by EV Cargo's own core fleet to enhance truck supply and network density.

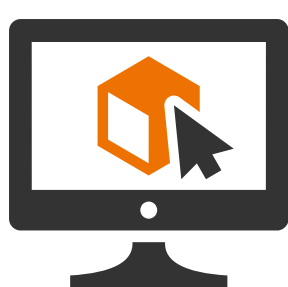
Our road freight operations involve the door-to-door movements of domestic and intra-European shipments, where we operate solutions for less-than-truckload (LTL) and full-truckload (FTL).

We have one of the leading UK express freight delivery networks, which operates under the Palletforce brand, providing daily LTL deliveries to every UK postcode and across 27 European countries.

Contract Logistics



110,000 pallets
stored per week



Over 3,000 daily
eCommerce orders

EV Cargo provides integrated warehousing and distribution services primarily focused around serving the final mile requirements of international supply chains.

We offer our customers a global network of 2.3 million sq ft of own-operated warehouse space that is supplemented by over 6 million sq ft of third-party warehouse space underpinned by ONE EV Cargo.

Our contract logistics solutions involve the provision of logistics and supply chain management services for large retail and manufacturing customers, which feature a relatively high level of bespoke value-added services within the overall customer proposition.

We provide inventory management and order fulfilment services, order picking, repacking and labelling along with associated inbound transportation and outbound distribution.

Mission, Vision, Values & Purpose

GRI 102-16

EV Cargo is guided by its corporate mission, vision, values and purpose.

Our Mission

We manage supply chains for the world’s leading brands. This is the everyday focus of our people in serving and creating value for our customers, powered by a relentless focus on operational excellence and deep domain knowledge. In addition to moving freight and managing physical logistics operations we manage the information flow and the processes of those supply chains on behalf of our customers.

Our Vision

We will transform logistics into a technology sector. This is what we are working to achieve in the future, a paradigm shift in how the logistics industry thinks about itself and is perceived by its customers and investors, by driving digital transformation of the sector. This is our long-term vision that we will continue to invest in and deliver to ensure we are in the best position to develop and deploy transformational technology to power our operating model and customer proposition.

Our Purpose

We power the global economy by enabling international trade and ensuring our customers benefit from a distribution chain with worldwide reach and powered by world-class technology.

Our Values

EV Cargo is guided by its fundamental values of growth, innovation and sustainability.

Growth

We put the success of our customers’ businesses at the heart of everything we do and underpin our long-term success with financially sustainable activities, relationships and expenditures.

Innovation

We keep our services fresh and relevant for our customers, always delivering great value, and embed technology in all that we do to make ourselves easy to work with and easy to work for. We relentlessly seek out new ways to work more effectively and better serve our customers.

Sustainability

We work hard to minimise the environmental impact of our own and our customers’ global operations. Our workplaces create a safe and fair environment for all of our people to work and develop their careers. We are ethically responsible and active members of our local and global communities, seeking to do the right thing always.

Mission



We manage supply chains for the world's leading brands.

Vision



We will transform logistics into a technology sector.

Purpose



We power the global economy.

Growth



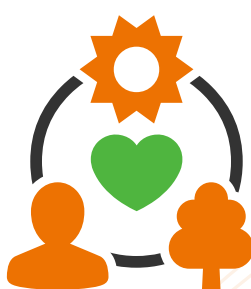
We don’t just focus on growth as an organisation, but we strongly believe in providing opportunities for our people and commit to a growth mindset where we all can develop and expand our capabilities.

Innovation



It’s not just about using the best technology and data to digitally transform our business, but being creative in devising solutions to challenges and problems.

Sustainability




We have an intense focus on being a responsible corporate stakeholder and our sustainability strategy is underpinned by our commitment to the UN Global Compact and its Sustainable Development Goals.

Our Leadership Team

Members of EV Cargo's executive leadership team have an average of more than 20 years of industry experience each.




Heath Zarin
EV Cargo CEO



Chia Min Tan
Global CFO



Mark Davis
General Counsel



Paul Coutts
Global COO



Simon Pearson
Chief Strategy Officer




Virginia Alzina
Chief Sustainability Officer



Steve Williams
COO Global Forwarding



Dave Holland
EVP Marketing Communications



Dean Hughes
EVP IT



Wendy Dean
EVP People UK



Duncan Grewcock
CEO Technology

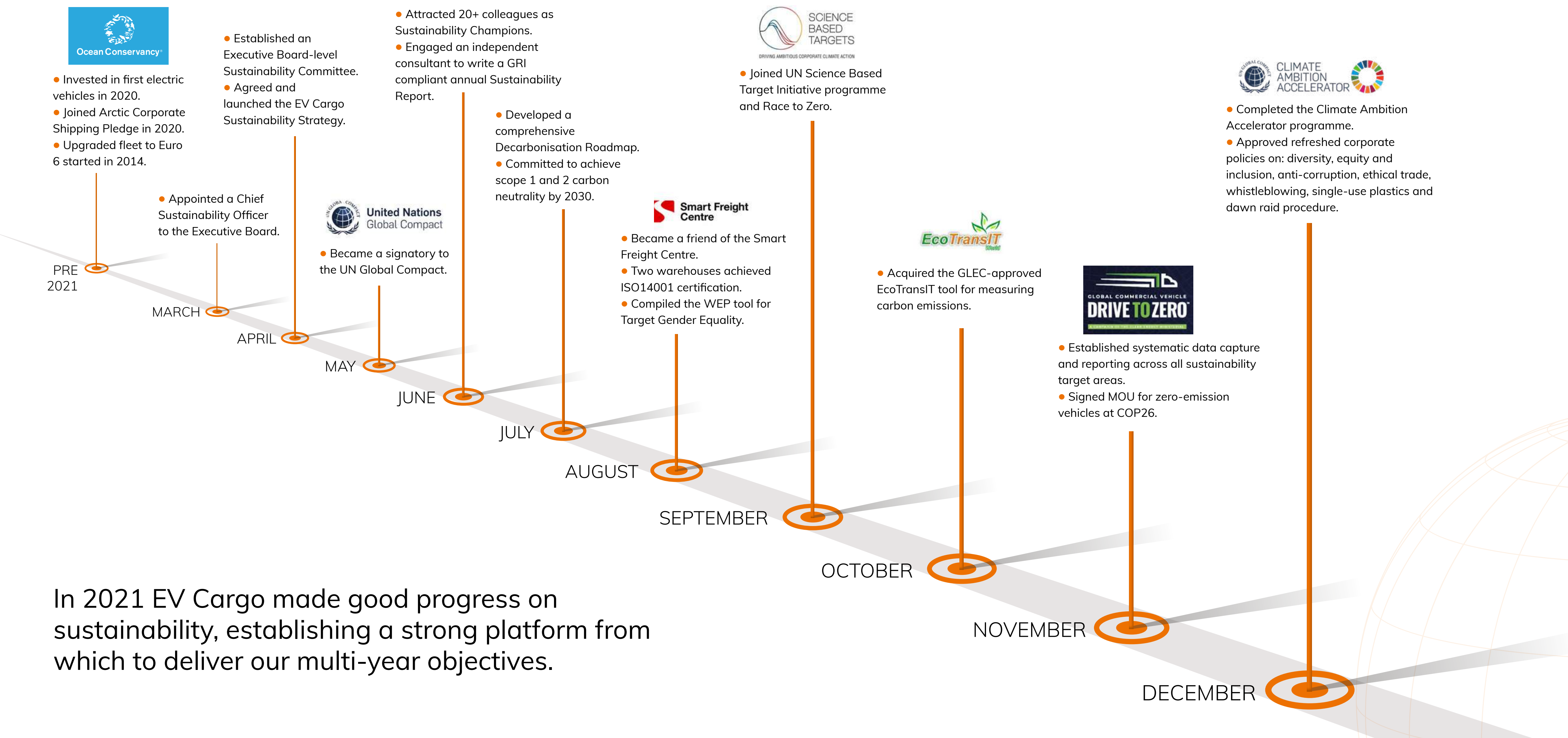


Andy Humpherson
CEO Solutions



Mark Tapper
COO Palletforce

Sustainability Timeline



In 2021 EV Cargo made good progress on sustainability, establishing a strong platform from which to deliver our multi-year objectives.



SUSTAINABILITY MANAGEMENT

Our Sustainability Committee guides and drives EV Cargo's sustainability strategy.

Sustainability Management

GR 102-11, GRI 102-18

Responsibility for sustainability practices throughout EV Cargo ultimately lies with our Executive Board.

Executive Board

The Executive Board is chaired by our CEO and supported by the Chief Strategy Officer, Chief Sustainability Officer, Chief Financial Officer, Chief Operations Officer, business CEOs, Executive VP Marketing and Communications, Executive VP Information Technology and Executive VP People.

This approach ensures sustainability management from top to bottom and across our functions.

Sustainability Committee

A Sustainability Committee has also been set up, led by our CEO and comprising of members of the senior leadership team. The Sustainability Committee meets monthly and reports to the non-executive board of directors.

Within the committee, there are working groups on thematic initiatives such as Emissions Reduction Steering Group, and Diversity & Inclusion Steering Group. This committee is also responsible for driving the adoption of various environmental, social and governance policies across the business.

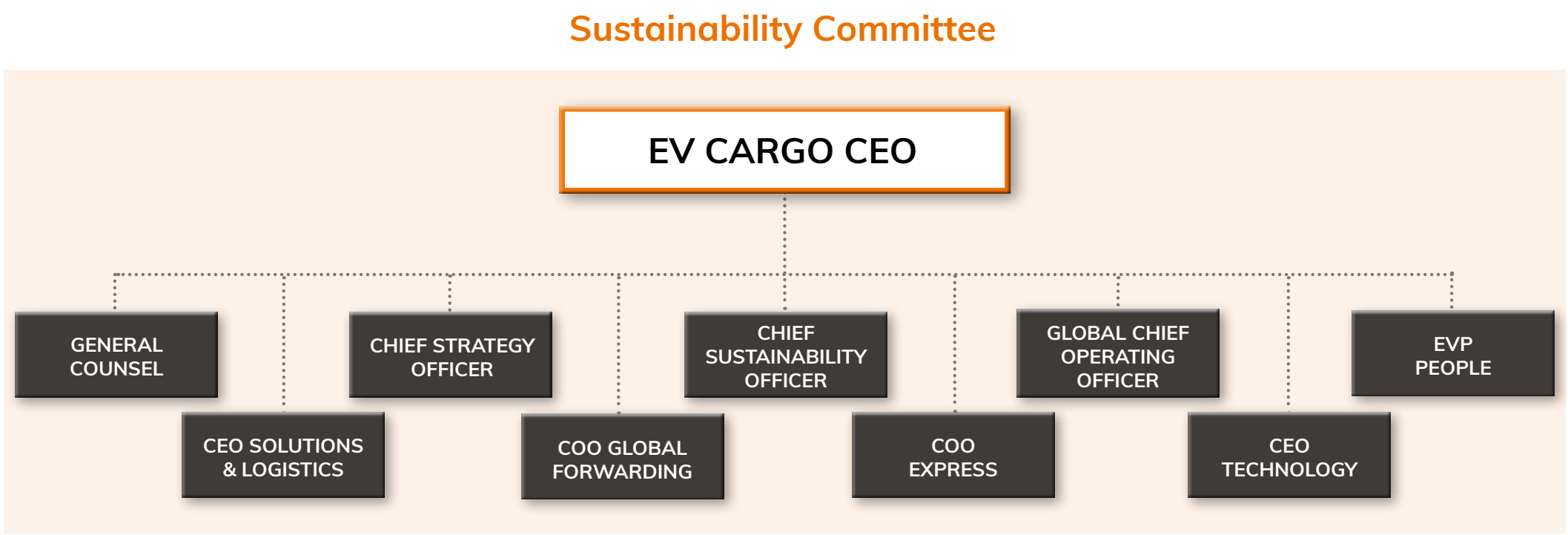
A dedicated Chief Sustainability Officer brings leadership on sustainability issues and goals, and oversees the monitoring of sustainability performance. The Chief Sustainability Officer works with key stakeholder engagement centrally, whilst local issues are covered by the local teams with central co-ordination.

To promote responsible behaviour across the business, sustainability representatives (champions) have been appointed for each area and meetings are at least once a month to follow up on programmes or initiatives.

Examples of initiatives led by the Sustainability Champions include plastics free initiative, Lean In Circle, promoting gender equality through Women Forward², as well as community engagement projects.

Measuring Performance

From 2022, EV Cargo's balanced scorecard will align compensation with corporate and individual performance, both in terms of financial and non-financial performance. Key sub-targets within each of the



scorecard areas include key financial indicators as well as ESG indicators such as emissions reduction.

Membership Of Associations (GRI 102-13)

- Signatory to the United Nations Global Compact (UNGC)
- Australasian Supply Chain Institute
- Global Logistics Emissions Council

External Initiatives (GRI 102-12)

- Institutional Limited Partners Association (ILPA)
- Diversity in Action Initiative
- United Nations Science Based Target Initiative
- Arctic Pledge
- COP26 Global Memorandum of Understanding (MOU) for zero-emission medium- and heavy-duty vehicles (ZE-MHDVs)
- CALSTART Drive to Zero

² Women Forward is a non-profit organisation that creates value in organisations by boosting female talent and gender equality.

Materiality & Stakeholder Engagement

GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44

The Chief Sustainability Officer, together with the Sustainability Committee, determines material Environmental, Social and Governance (ESG)-related matters that have significant impacts on EV Cargo and its various stakeholders.

These issues influence the decision-making process of the stakeholders and consequently affect EV Cargo's achievement of short- and long-term goals.

Identification Of Material ESG Topics

In 2021, a formal materiality assessment workshop was conducted by an independent Sustainability Consultant with active participation of key representatives from the Chief Sustainability Officer and key representatives from the various business divisions to identify the sustainability matters most relevant and significant to EV Cargo's internal and external stakeholders.

The materiality assessment was conducted based on the Principles of Selecting Material Issues in the Global Reporting Initiative (GRI) Standards.

The relevant industry specific standard from Sustainability Accounting Standards Board (SASB) – Road Transportation, was also included as part of the review process. A list of potential sustainability matters and associated risks and opportunities was identified through:

- Peer benchmarking review of material matters
- Identification of internal and external stakeholders
- Discussion with key management representatives to understand their concerns, and the concerns of key external stakeholders with whom they communicate with
- External economic, environmental and social charters, principles or initiatives that EV Cargo has committed to

An initial benchmarking exercise was conducted based on industry and sector standards (e.g. SASB Sector Standard for Transportation) as well as with leading companies in the transport and logistics sector to identify key material topics common across these companies.

The material topics identified were then grouped into the three categories, namely Environment, Social and Governance.

Stakeholder Engagement GRI 102-40, GRI 102-42, GRI 102-43

External stakeholders and internal stakeholders relevant to EV Cargo's business were identified based on GRI's definition³.

Through discussion with key management representatives from the various business divisions, external stakeholders were identified – suppliers, customers, and employees. The leadership team of EV Cargo was identified as internal stakeholders.

Using the topics identified from the initial benchmarking exercise, a list of common material topics was established and these were used for the stakeholder engagement exercise with the external and internal stakeholders to better understand their needs and concerns, so that we could prioritise the various ESG topics.

The internal and external stakeholder engagement exercise was facilitated by an independent sustainability consultant. The external stakeholder engagement surveys were sent to more than 80 stakeholders which included suppliers, customers, and employees from across the business.

The stakeholder response rate was a strong 67% and the valuable feedback from this survey was considered in the tabulation of results.



The internal stakeholder engagement exercise was conducted online through an interactive workshop and results from this survey were then compiled with the results of the external stakeholder engagement exercise, with the resulting prioritised topics shown in Figure 1.

Validation & Review GRI 102-44

This list of material ESG topics identified from the internal and external stakeholder engagement exercise were prioritised and finalised in December 2021, these have also been reviewed and approved by EV Cargo’s management team and the Sustainability Committee before inclusion in the Sustainability Report.

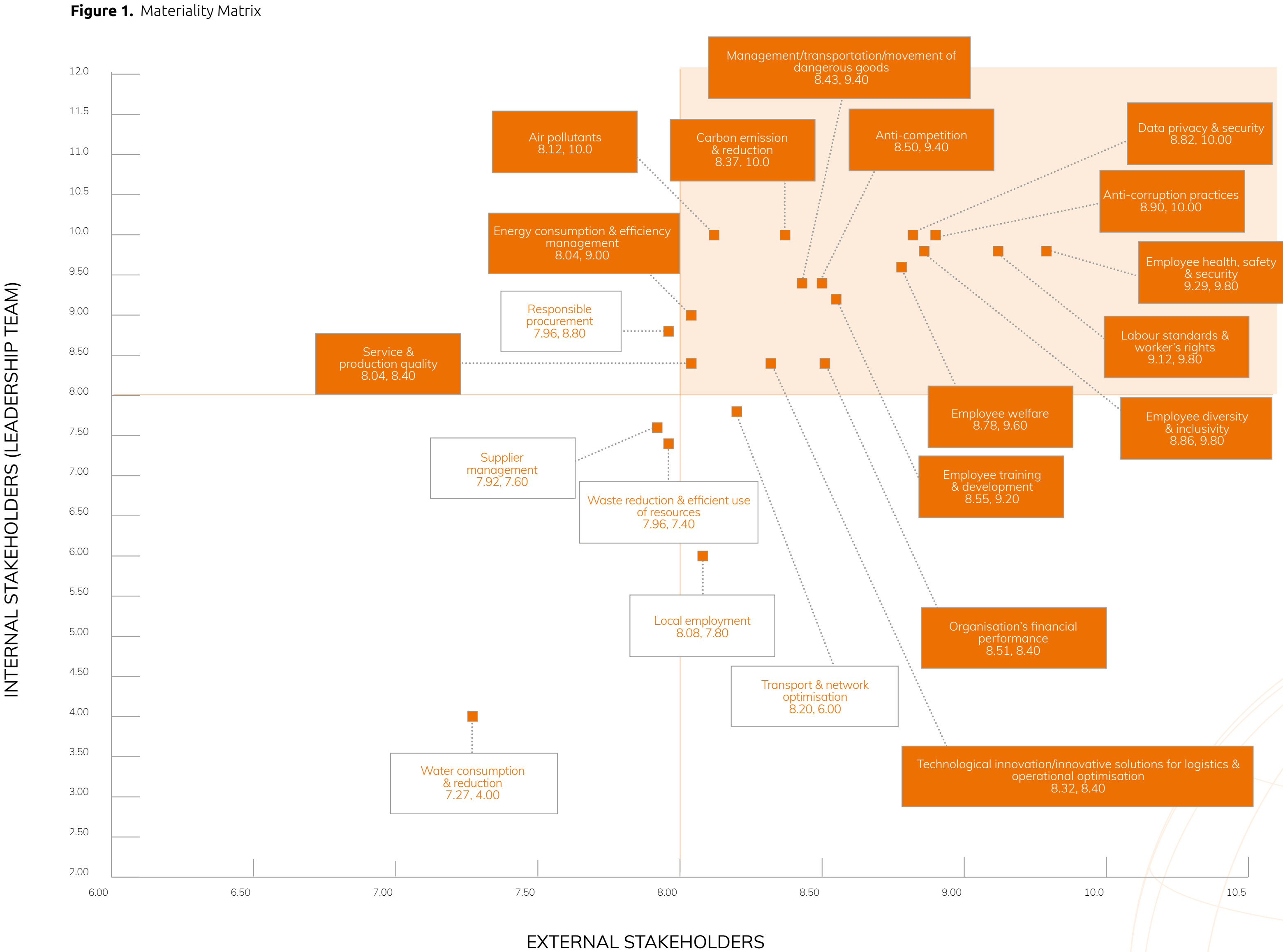
The final list of material ESG topics to be included in the Sustainability Report are shown on the following page, the titles of some topics have been rephrased (as shown in brackets) for succinctness.

In addition to material ESG topics identified from the workshop, other important topics⁴ have also been included in the list as a result of economic, environmental and social charters, principles or initiatives that EV Cargo has committed to.

Figure 1. Material topics identified from internal and external stakeholder engagement exercise. The material topics which are of most important to both internal and external stakeholders are shaded in orange, and which would be prioritised by EV Cargo’s for inclusion in the Sustainability Report.

Although Responsible Procurement and Waste are currently not identified as priority items, these are planned for inclusion in EV Cargo’s future Sustainability Reports as these topics are material based on peer benchmarking and also a regulatory requirement in certain countries that EV Cargo operates in.

⁴ See Table 1.



EV Cargo is a signatory of the United Nations Global Compact (UNGC) since May 2021 and has also committed to the Science Based Targets initiative (SBTi) in September 2021 to set a science-based emission reduction target aligned with the SBTi’s target-setting criteria.

Material ESG topics and our focus areas	
PLANET	Carbon emission and reduction (climate change)
	Air pollutants
	Energy consumption & efficiency management
PEOPLE	Employee welfare
	Employee diversity & inclusivity
	Employee training & development
	Employee health, safety & security
	Child labour
	Forced or compulsory labour
	Human rights assessment
	Service & production quality (customer service)
	Local communities
GOVERNANCE	Anti-corruption
	Anti-competition
	Data privacy & security
	Management/transportation of hazardous goods
	Compliance
VALUE CREATION	Financial performance of organisation
	Technological innovation/innovative solutions

Table 1. Material ESG issues grouped under our focus areas – Planet, People, Governance, Value Creation.

In addition to material ESG topics identified from the workshop, other important topics (in blue)⁵ have also been included in the list as a result of economic, environmental and social charters, principles or initiatives that EV Cargo has committed to.

⁵ ESG topics shown in blue have been included as part of EV Cargo’s commitment to the 10 principles of the United Nations Global Compact.

Our Objectives

As a responsible corporate stakeholder in a complex, fast-moving world, EV Cargo stands for reliability and sustainability, built on market-leading infrastructure and technological innovation.



Growth

We put the success of our customers’ businesses at the heart of everything we do and underpin our long-term success with financially sustainable activities.



Sustainability

We are passionate about minimising the environmental impact of our own and our customers’ operations, and integrate our core principles of workplace diversity and equity.



Innovation

We embed technology in all that we do, relentlessly seek out new ways to work more effectively and better serve our customers.



Global economy

With a global supply chain infrastructure underpinned by local expertise, we provide an international logistics service which helps power the global economy.

Our Commitment To UN Sustainable Development Goals

What EV Cargo is doing to contribute to the global sustainability efforts and ambitions.

5 GENDER EQUALITY

We strive to create a diverse, equitable and inclusive workplace enabling opportunities for all.

7 AFFORDABLE AND CLEAN ENERGY

We aim to reduce our overall CO2 emissions.

8 DECENT WORK AND ECONOMIC GROWTH

We will work only with suppliers that share our values.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Embedding a culture of employee safety and regulatory compliance.

11 SUSTAINABLE CITIES AND COMMUNITIES

We will become fully active in our communities to make a positive impact.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We will minimise our waste and waste usage.

13 CLIMATE ACTION

Our overall goal is to be scope 1 and 2 carbon neutral by 2030.

As a signatory to the United Nations Global Compact framework, EV Cargo is committed to the United Nations Sustainable Development Goals (UNSDGs).

EV Cargo works actively to support the UNSDGs and we believe that businesses have a key role to play in implementing the goals.

We contribute to social and economic development in the societies and communities we operate in, as well as do our part on climate action and conducting responsible business activities.

EV Cargo supports all the 17 UNSDGs and contributes in particular to the following nine goals: Quality education,

gender equality, affordable and clean energy, decent work and economic growth, industry, innovation and infrastructure, responsible consumption and production, climate action, peace, justice and strong institutions, and partnership for the goals.



Sustainability Targets & Contribution To UN SDGs

People



To only work with suppliers who share our values	<ul style="list-style-type: none">• Target at least 70% of procurement spent with suppliers with a verified ESG policy• Target at least 70% of procurement spent with suppliers with a committed carbon target by the end of 2023
To create a diverse, equitable, inclusive workplace enabling opportunities for all	<ul style="list-style-type: none">• At least 25% of senior management positions held by females in 2023• 25% females in governance bodies by 2023• Gender pay gap less than 2% (by 2023)
To embed a culture of employee safety and regulatory compliance	<ul style="list-style-type: none">• Upper quartile reportable injuries / 100,000 versus comparable industry benchmark by 2022• Zero prosecutions, warnings or instances of ESG non-compliance each year
To be fully active in our communities and make a positive impact	<ul style="list-style-type: none">• > 100k donated to charity and community initiatives every year• > 10 hours of volunteer work a year by all staff
Service & Production Quality (ESG)	<ul style="list-style-type: none">• Collect data on all ESG complaints received• 100% of complaints are acknowledged by written response within 24 hours upon receipt
Training and education	<ul style="list-style-type: none">• Increase by 10% hours of training per employee• Increase by 10% programs for upgrading employee skills and transition assistance programs• All employees receive performance reviews
Child labour	<ul style="list-style-type: none">• Zero cases of child labour in operations and suppliers
Forced labour	<ul style="list-style-type: none">• Zero cases of forced labour in operations and suppliers
Human rights	<ul style="list-style-type: none">• 50% of managers trained on human rights policies and procedures by 2023
Discrimination	<ul style="list-style-type: none">• Record Incidents of complaints discrimination and corrective actions taken
Labour management	<ul style="list-style-type: none">• Compliant with national law regarding notice periods on operational changes

Planet



To reduce our overall CO2 emissions	<ul style="list-style-type: none">• Target annual 4.2% reduction in scope 1 and 2 CO₂ emissions to achieve carbon neutrality by 2030• Target 2.5% reduction in scope 3 CO₂ emissions
To minimise our waste usage	<ul style="list-style-type: none">• Target zero to landfill by the end of 2022• Zero single-use plastic in our workplace by the end of 2022

Governance



Anti-corruption	<ul style="list-style-type: none">• Zero cases of corruption
Customer privacy	<ul style="list-style-type: none">• Zero substantiated complaints concerning breaches of customer privacy & losses of customer data• Zero leaks, thefts or loss of customer data• Zero complaints from regulatory bodies
Management of dangerous goods	<ul style="list-style-type: none">• Compliance with national laws on transportation incidents and accidents of dangerous goods

Value Creation



Technological innovation / innovative solutions	<ul style="list-style-type: none">• Increase innovative approaches / solutions that help customers reduce their costs and greenhouse gas emissions
--	--

10 Principles Of The UN Global Compact

How the UN Global Compact determines how businesses should interact with people and the environment to ensure best practice in all operations.



Universal principles

Launched in July 2000, the United Nations Global Compact is the Secretary-General’s strategic policy and advocacy initiative calling for the alignment of business operations and strategies with 10 universal principles in the areas of human rights, labour, environment and anti-corruption, and motivates companies to integrate the SDGs into their core business strategy and operations.

By incorporating the 10 principles of the UN Global

Compact into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption.

The 10 principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

EV Cargo has been a signatory of the United Nations Global Compact since May 2021 and has committed to incorporate the 10 principles of the UNGC into the strategies, policies and procedures of the organisation.

LABOUR	
01	Businesses should support and respect the protection of internationally proclaimed human rights.
02	Businesses should make sure that they are not complicit in human rights abuses.
03	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
04	Businesses should work towards the elimination of all forms of forced and compulsory labour.
05	Businesses should work towards the effective abolition of child labour.
06	Businesses should work toward the elimination of discrimination in respect of employment and occupation.
ENVIRONMENT	
07	Businesses should support a precautionary approach to environmental challenges.
08	Businesses should undertake initiatives to promote greater environmental responsibility.
09	Businesses should encourage the development and diffusion of environmentally friendly technologies.
ANTI-CORRUPTION	
10	Businesses should work against corruption in all its forms, including extortion and bribery.

Table 2. EV Cargo has been a signatory of the UNGC since May 2021 and has committed to incorporate the 10 principles of the UNGC into the strategies, policies and procedures of the organisation.

OUR PLANET

Defining targets and implementing measures to limit the environmental impact of our, and our customers', supply chain operations.



Planet

GRI 305-1, GRI 305-2, GRI 305-3, TR-RO-110a.1, TR-RO-110a.2, GRI 305-4, GRI 302-1, GRI 302-2, TR-RO-110a.3, GRI 305-7, TR-RO-120a.1



Climate Change GRI 305-1, GRI 305-2, GRI 305-3, TR-RO-110a.1, TR-RO-110a.2

Businesses are increasingly expected to demonstrate sustainable conduct and transparency with regard to the associated opportunities and risks.

At EV Cargo, we are mindful that the concept of sustainability has come more sharply into focus for various reasons in recent years and that companies with a meaningful sustainability strategy are more successful in the long term than those without.

The ongoing boom in e-commerce and the corresponding growth in demand for transportation solutions is an important driver of global trade today.

While this trend is good for our business, we also recognise that our activities impact the environment and the climate around the world, particularly in the form of greenhouse gas emissions.

The transportation sector is responsible for roughly 7.5 gigatonnes of carbon emissions – about 14% of greenhouse gas emissions (GHG) worldwide. To minimise this impact, we have defined targets and implemented

measures to help protect the environment and climate. EV Cargo is focused on becoming carbon neutral (scope 1 and scope 2) by 2030 and significantly reducing our scope 3 emissions.

As a first step, we have calculated our emissions for 2021 which will also serve as our baseline emission year and setting of reduction targets in line with SBTi and the company's sustainability strategy.

EV Cargo has committed to a target of 4.2% annual linear reduction in scope 1 and 2 CO₂ emissions, and a 2.5% annual linear reduction in scope 3 CO₂ emissions.

At COP26, EV Cargo has endorsed a Global Memorandum of Understanding for zero-emission medium and heavy-duty vehicles.

We have committed to having 30% of new zero-emission mid- and heavy-duty vehicles by 2030 and 100% by 2040 to decarbonise logistics in the road transport sector. This signing demonstrates our support for this international collaborative agreement to help facilitate net-zero carbon emissions.



EV Cargo participated in the United Nations Global Compact Climate Ambition Accelerator, a six-month accelerator programme designed to equip companies with the knowledge and skills they need to accelerate progress towards setting science-based emissions reduction targets aligned with the 1.5°C pathway, setting them on a path towards net-zero emissions by 2050.

To account for our emissions we are following a framework developed by the Global Logistics Emission Council (GLEC). The GLEC Framework is a globally recognised methodology for harmonised calculation and reporting of the logistics GHG footprint across the multimodal supply chain which can be implemented by shippers, carriers and logistics service providers.

The GLEC Framework is aligned to the Greenhouse Gas Protocol, the UN-led Global Green Freight Action Plan, and Carbon Disclosure Project (CDP) Reporting. We are also using EcoTransIT World, a software accredited to be compliant with the GLEC Framework to calculate our emissions across our supply chain.

We are also aware that our impacts and reduction efforts relating to greenhouse gas (GHG) emissions require a long-term approach and commitment.

For us to implement reduction initiatives we needed to understand our baseline emissions, and in 2020 we implemented a rigorous system across all our operating locations to monitor and track our emission data.

All entities which consume fuels are required to provide utilisation reports on an annual basis, this is then consolidated per business segment and reviewed by the respective CEOs.

Electricity consumption is also monitored based on invoices and usage reported in a similar manner per business segment. This allows us to track, monitor and calculate our scope 1 and 2 emissions.

We have also used the EcoTransIT tool to calculate our scope 3 emissions arising from upstream and downstream transportation and distribution. By providing data on the weight of our cargo, the origin and destination, and the various modes of transport that will be used in the movement of the cargo, the tool will calculate the emissions associated with that specific shipment.

This tool process and associated emissions have been verified by an independent third party, DNV, and the independent assurance statement has been included in our report on page 57.

In 2021, our scope 1 and 2 emissions⁶ amounted to 48,708 tCO₂e, comprising of 97% of scope 1 emissions (or 47,238 tCO₂e) and 3% of scope 2 emissions (or 1,469 tCO₂e).

The majority of our scope 1 emissions is attributable to the Logistics business which handles truck deliveries throughout the UK.

⁶ An operational control approach (as defined by the GHG Protocol) has been used for the data consolidation of our scope 1 and 2 GHG emissions.

⁷ Our scope 3 emissions calculated include emissions from key categories - Category 3 (fuel and energy related activities not included in scope 1 or scope 2), Category 4 (upstream transportation and distribution) and Category 9 (downstream transportation and distribution). Other scope 3 categories, e.g. Category 6 (business travel) and Category 7 (employee commuting), have not been included as they are not significant and comprise of less than 1% of the threshold of our total scope 3 spend.



1.5°C

EV Cargo participated in the Climate Ambition Accelerator, a six-month accelerator programme designed to equip companies with the knowledge and skills they need to accelerate progress towards setting science-based emissions reduction targets aligned with the 1.5°C pathway.

As such, the greatest opportunity for GHG reduction would come from the fuel choice of our fleet of vehicles.

Since 2021, we have been exploring the use of hydrotreated vegetable oil (HVO) or renewable diesel at Gwent Park, one of our major logistics hubs where trucks are given the option to use this fuel in place of normal diesel. HVO, being a renewable fuel, has the potential to reduce over 90% of carbon emissions and also contains lower amounts of fine particulates, less nitrogen oxides (NOx) and lower carbon monoxide (CO) emissions.

Our scope 3 emissions, or emissions in our value chain, amounted to 511,534 tCO₂e⁷, which is substantially larger than our combined scope 1 and 2 emissions.

Due to the nature of our business where we work with a large number of third-party logistics providers, 97% of our scope 3 emissions (or 497,272 tCO₂e) comprise emissions from upstream and downstream transportation and distribution.

Being able to calculate the key categories contributing to our scope 3 emissions reinforced the importance of innovating and working with our partners to reduce the emissions in our value chain.

Some initiatives that we have taken to reduce our scope 3 emissions include co-loading of less than containerload, use of rail freight where possible (over road), and twinning of 20 foot containers.

These are described in the next section of our report, under “Building a Sustainable Business Through Efficiency and Technology”.

GRI-305-4

Our scope 1, 2 and 3 GHG intensity have been computed based on revenue. We have also presented our scope 3 GHG intensity data for upstream and downstream transportation in tonne CO₂ per tonne km, in alignment with the GLEC framework, calculated using the EcoTransIT tool.

Our total scope 1, 2 and 3 GHG emissions intensity based on total revenue is 497.1 tCO₂e / £ million revenue.

Entity	Scope 1 & 2 intensity	Scope 3 intensity	
	tCO ₂ e / £ million revenue	tCO ₂ e / £ million revenue ⁸	tCO ₂ / tonne km ⁹
Global Forwarding	3.2	467.2	60.0
Express	19.3	284.7	12.3
Solutions	0	1003.9	22.7
Logistics	330.6	93.8	–

⁸ Scope 3 intensity values (tCO₂/ million revenue) is calculated based on Greenhouse Gas (GHG) Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0): Category 3 (Fuel- and Energy Related Activities Not Included in Scope 1 or Scope 2), Category 4 (Upstream Transportation and Distribution) and Category 9 (Downstream Transportation and Distribution).

⁹ Scope 3 intensity values (tCO₂/ tonne km) have been calculated using the EcoTransIT tool and is based on GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0): Category 4 (Upstream Transportation and Distribution) and Category 9 (Downstream Transportation and Distribution).

Energy GRI 302-1, GRI 302-2, TR-RO-110a.3

In the area of energy consumption, our energy consumption within the business in 2021 was 705 TJ, with 600 TJ (or 85%) comprising of energy consumed from fuel, and 25 TJ (or 3%) comprising of energy consumed from heating and electricity.

We have also gone one step further to calculate the energy consumed by key activities in our value chain, or outside of our organisation – this includes fuel and energy related activities, as well as upstream and downstream transportation and distribution.

The EcoTransIT tool has been used to calculate the energy and emissions in our value chain.

The energy consumed in our value chain in 2021 was 6896 TJ, with upstream and downstream transportation and distribution contributing to 98% of the energy consumed in our value chain.

Our Initiatives In 2021

- Joined the Arctic Pledge – a voluntary pledge that invites companies to avoid intentionally routing ships or sending goods through the region as part of a potential new global trans-shipment route.



- Upgraded fleet to EURO 6.



- Introduced electric vehicles.

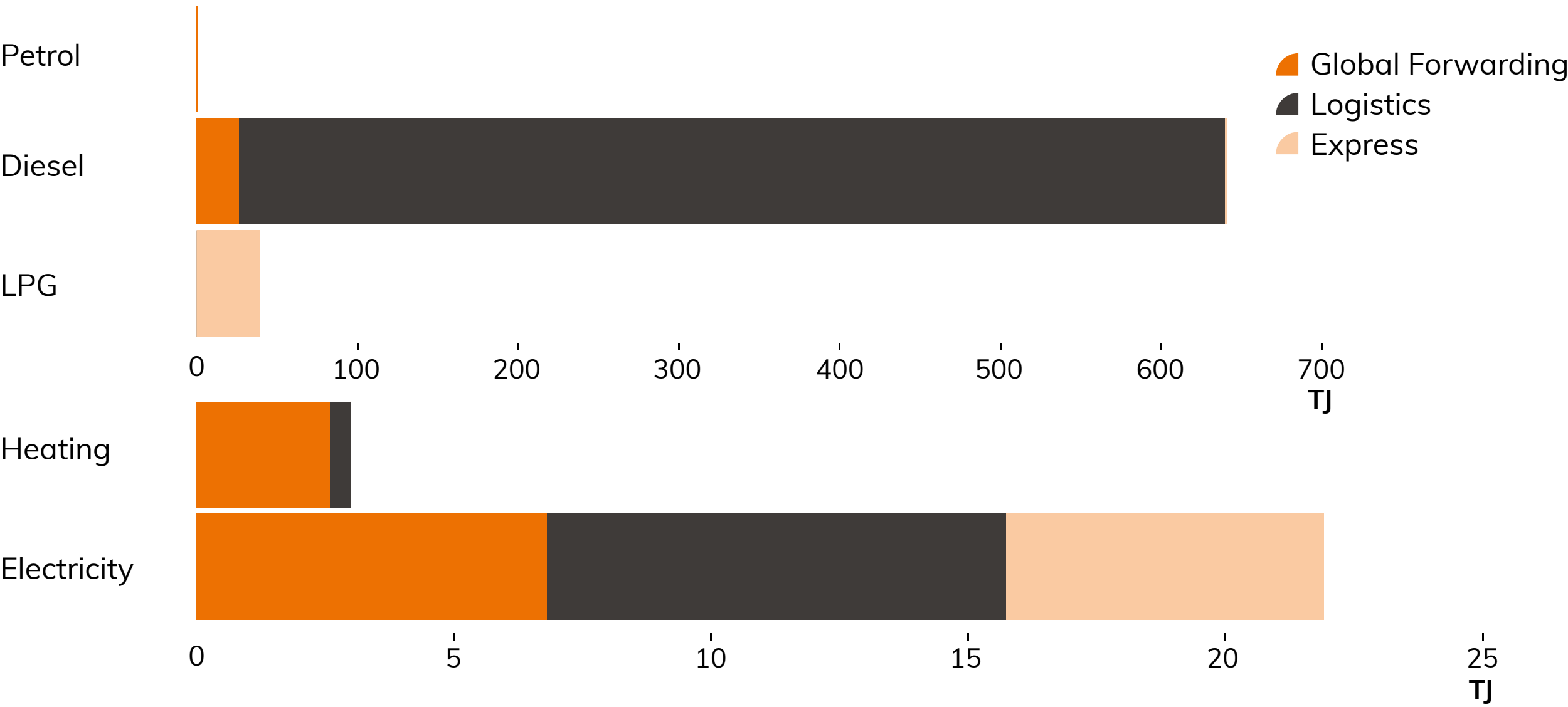


- Introduced a single-use plastic policy and replaced single-use plastic container seals with re-usable electronic combination seals.



- Two UK warehouses obtained ISO14001 certification, which will underpin EV Cargo's strategy to reduce carbon emissions.

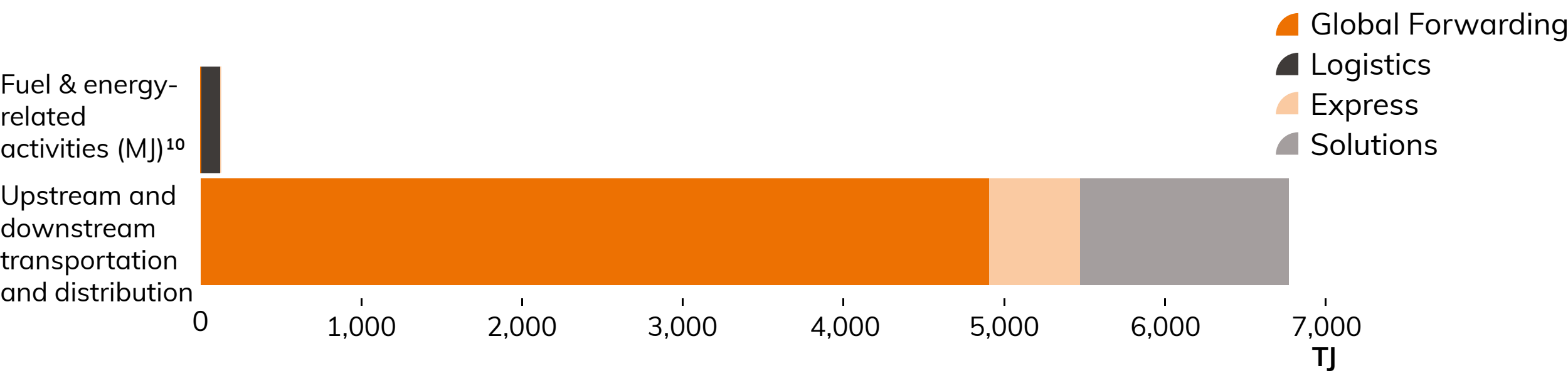
Energy Consumed Within The Organisation GRI 302-1, TR-RO-110a.3



Business units	Fuel (MJ)			Heating (MJ)	Electricity (MJ)
	Petrol	Diesel	LPG		
Global Forwarding	582,176	26,267,162	0	2,591,599	6,808,448
Logistics	0	613,269,342	0	396,511	8,919,904
Express	0	1,606,123	38,875,256	0	6,180,325
Solutions	0	0	0	0	0
Sub-total	582,176	641,142,627	38,875,256	2,988,110	21,908,677
Total	680,600,058 MJ (600.60 TJ)			24,896,788 MJ (24.90 TJ)	
Grand total	705,496,846 MJ (705.50 TJ)				

Table 3: Energy conversion factors for fuel have been sourced from IPCC (2006) Guidelines for National Greenhouse Gas Inventories. Conversion factor for heating is sourced from DEFRA (2021). No energy is consumed from renewable sources.

Energy Consumed Outside The Organisation In Our Value Chain GRI 302-2

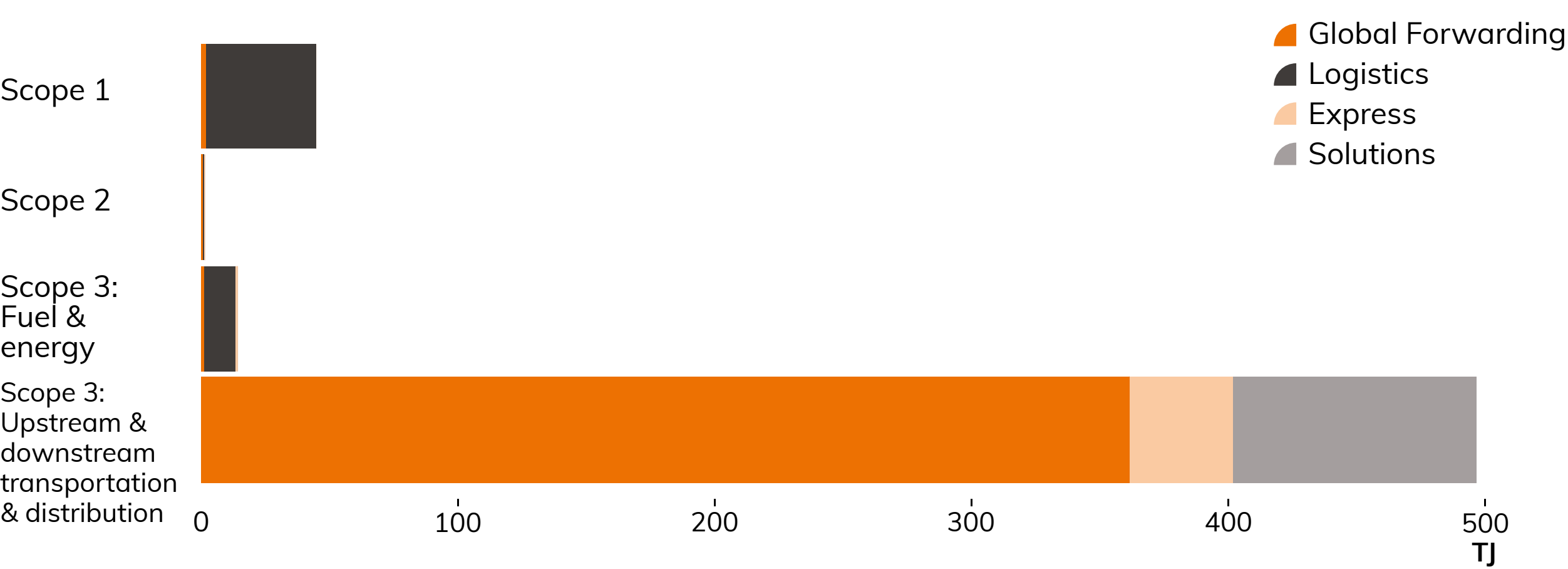


Business units	Fuel and energy-related activities (MJ) ¹⁰	Upstream and downstream transportation and distribution (MJ)
Global Forwarding	5,080,803	4,903,325,158
Logistics	116,415,380	0
Express	4,908,975.56	568,697,877
Solutions	0	1,297,227,936
Total	126,405,158 MJ (126.40 Tj)	6,769,250,971 MJ (6,769.25 Tj)
Grand total	6,895,656,129 MJ (6,896 Tj)	

Table 4: Energy conversion factors for well-to-tank (WTT) for fuel related activities are sourced from EN16258. Conversion factors for upstream and downstream transportation and distribution are based on EcoTransIT.


¹⁰ Fuel and energy related activities include the WTT fuel energy consumption from vehicles owned and/or operated by the business units. Excludes energy from upstream electricity T&D.

Direct (Scope 1) GHG Emissions, Energy Indirect (Scope 2) GHG Emissions & Other Indirect (Scope 3) GHG Emissions GRI 305-1, GRI 305-2, GRI 305-3, TR-RO-110a.1, TR-RO-110a.2



	Scope 1, 2 & 3 GHG emissions (kgCO ₂ e)			
Business units	Scope 1*	Scope 2	Scope 3	
			Fuel & energy	Upstream and down-stream transportation and distribution
Global Forwarding	1,886,454	559,977	999,825	361,559,025
Logistics	42,869,643	544,905	12,318,858	0
Express	2,482,180	364,519	943,279	40,951,486
Solutions	0	0	0	94,761,036
Sub-total	47,238,281	1,469,401	14,261,962	497,271,547
Total	48,707,683 kgCO ₂ e (48,708 tCO ₂ e)		511,533,509 kgCO ₂ e (511,534 tCO ₂ e)	
Total for all Scopes	560,241,191 kgCO ₂ e (560,241 tCO ₂ e)			

Table 5: Fuel emission factors (EF) have been sourced from IPCC (2006) Guidelines for National Greenhouse Gas Inventories. Grid EF have been sourced from DEFRA (2021) for UK specific locations, European Association of Issuing Bodies (AIB) European Residual Mix (2020) for grid EF in Europe, and CLP Power for grid EF for Hong Kong. * All Scope 1 emissions are from non-biogenic sources.



Spotlight On: Improving Truck Driving Performance

Scoring system with incentives for drivers.

We have in place a driver scoring system which includes information on the distance travelled by each truck (and the driver) as well as carbon emissions from each truck.

This information is captured and monitored weekly, which enables us to track improvements through training and incentive programmes.

Two key area that we are focusing on for 2022 to improve driver performance are:

- Reduction of idle engine time – reducing idle times through configuration and driver awareness.
- Improvement of driver style – through training programmes to support drivers who require improvement and incentives to recognise and reward our top-performing drivers.





Green Warehouses

Two of our warehouses in the UK are certified to ISO 14001 Environmental Management System and we work hard to reduce carbon emissions and minimise waste generation.

Some of our best practices include:

- Fully compliant facilities.
- PIR light sensors.
- Low energy usage.
- Proactive recycling of materials.
- Latest specifications for chill chambers.
- Reusable materials are donated to charities and the local community.
- Use of solar panels at our warehouses to increase the mix of renewable energy in our total energy mix.
- Rainwater harvesting for uses such as flushing of toilets to reduce use of potable water.

Reducing Air Pollution GRI 305-7, TR-RO-120a.1

Emissions of NOx and SOx from the combustion of fuels are of significance in both their capacity to function as air pollutants at ground level, affecting human health, and in their ability to form greenhouse gas compounds, exacerbating the effects of anthropogenic climate change.

These are primarily emitted from the fuels, particularly from shipping and road transportation.

Particulate matter (PM), on the other hand, is a complex mixture of solids and aerosols, and may contain inorganic ions, metallic compounds, elemental carbon and organic compounds.

Particles are defined by their diameter for air quality regulatory purposes - those with a diameter of 10 microns or less (PM₁₀) are inhalable into the lungs and can induce adverse health effects.

Short-term exposures to PM_{2.5} and PM₁₀ particles have been associated with premature mortality, increased hospital admissions for heart or lung causes, acute and chronic bronchitis, asthma attacks, as well as respiratory symptoms.

At EV Cargo, we are conscious of the indirect impacts of emissions from combustion of fossil fuels, and we are monitoring the NOx, SOx and other significant air emissions arising from our activities as well as in our value chain.

Due to the nature of our business, the emissions from our upstream and downstream transportation and distribution account for more than 90% of the NOx, SOx and PM₁₀ emissions.

Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions GRI 305-7

	Emissions (kg)		
	NOx	SOx	PM ₁₀
From fuel consumed within the organisation	288,302	277	4,641
From fuel consumed outside the organisation	3,845,836	553,513	216,065
Total	4,134,138	553,790	220,707

Table 6: Conversion factors for air emissions – NOx, SOx and PM₁₀ have been sourced from The Norwegian Emission Inventory 2016 - Documentation of methodologies for estimating emissions of greenhouse gases and long-range transboundary air pollutants. For fuel consumed within the organisation, the SOx emission was referenced from the following fuels: gasoline, auto diesel and LPG; for NOx and PM₁₀, the emission factors were referenced from road traffic and stationary combustion. For fuel consumed outside the organisation, emissions were calculated using the EcoTransIT tool.

By leveraging on data analytics and technology, we have been able to reduce the overall volumes of cartons, pallets and containers shipped through the supply chain.

At the same time, initiatives such as co-loading of less than containerload, use of rail freight where possible (over road), and twinning of 20 foot containers, help us to achieve significant reductions in GHG emissions as well as NOx, SOx and PM₁₀ emissions, benefitting both the environment, as well as lowering supply chain costs.

These are described in the next section of our report, under “Building a Sustainable Business Through Efficiency and Technology” and also “Technological Innovation / Innovative Solutions”.

We have achieved significant reductions in GHG emissions as well as NOx, SOx and PM₁₀ emissions, benefitting both the environment, as well as lowering supply chain costs.



Spotlight On: Removing Emissions From Customer Distribution Operations

Working with the world's leading brands to reduce emissions.

Introducing HVO fuel

EV Cargo has also introduced the use of hydrotreated vegetable oil (HVO) or renewable diesel at Gwent Park, one of our major logistics hubs where trucks are given the option to use this fuel in place of normal diesel.

Produced from waste fats, residues, and vegetable oils, HVO has reduced carbon emissions, nitrous oxide emissions, longer term storage stability, and superior cold flow properties for use in cold climates, making it a suitable replacement for normal diesel.

In 2021, EV Cargo started collaborating with customer Budweiser Brewing Group to introduce HVO as a direct replacement to traditional diesel fuel at Budweiser Brewing Group UK&I, part of AB InBev.

An initial fleet of 20-25 distribution trucks at Budweiser Brewing Group's Magor brewery in Wales will switch to the replacement fuel, delivering an immediate 90% reduction in CO₂ emissions.

The number of trucks using HVO will double later in 2022. The scheme will form a key driver in reducing the brewer's carbon footprint and in its ambition to reach net zero at UK breweries by 2026.

As an important transport and warehouse partner to AB InBev for over 10 years, EV Cargo has introduced a range



EV Cargo worked with Budweiser Brewing Group to replace traditional diesel fuel in its fleet of 20-25 distribution trucks. The initial number of vehicles switching to HVO at the Magor brewery in Wales will double over the course of 2022

of initiatives to help reduce the environmental impact of distribution operations.

These include technology and neural learning-led route planning to reduce delivery miles and emissions, alongside load optimisation to enhance fleet utilisation.

EV Cargo is proud to be a partner of Budweiser Brewing Group and AB InBev in the decarbonisation of its supply chain as part of their net zero strategy.



Electric Trucks For FMCG Deliveries

EV Cargo has, in collaboration with The Park, which packages 25% of all wine sold in the UK, introduced an all-new DAF CF Electric tractor unit to be used for deliveries to customers, including leading retailers such as Tesco, Sainsbury, Asda and Aldi.

The Park ships six million bottles of wine per week and this partnership with EV Cargo to use one of the UK's first electric, zero-emission HGVs will reduce the company's carbon footprint, saving 17,500 litres of diesel per year and 47,347 kg/CO₂e, including 651 kg/ N₂O, among other air pollutants.

The DAF CF Electric 4x2 tractor unit being operated by The Park and EV Cargo is one of the first zero-emission trucks to enter the market.

At the heart of the vehicle is a 210kW (240kW peak power) electric motor and the vehicle has a range of up to 250km (depending on the application, driving circumstances and load).

Building A Sustainable Business Through Efficiency & Technology

EV Cargo is constantly seeking ways to improve the sustainability of our business through the use of big data.

We have found that we were able to avoid GHG emissions as well as save costs for our customers and stakeholders through the use of three methods:

- 1. Co-loaded less-than-containerload (LCL)
- 2. Twinning 20 foot containers
- 3. Use of rail freight

Co-loaded LCL

EV Cargo works with customers to trim ocean freight costs for full containerload (FCL) shippers that do not use all or most of the space inside a container.

Through the use of technology, we are able to co-ordinate with customers by modifying either or both of shipment timing and size so that they can be consolidated into a full container load. Technology is the enabler that allows us to seamlessly evaluate transportation data across customers and make co-loading decisions.

Through collaboration with various partners, we are also able to mitigate the continuous rise of transportation

¹¹ This is based on an assumption of an approximately equal number of TEUs originating from China (Shanghai) and Bangladesh (Chittagong), with a final destination of UK (Felixstowe). The IPCC Transport Tool was used to calculate the emissions for a 24 tonne TEU on those two routes.

costs. In 2021, a total of 2,548 shipments were co-loaded LCL, the equivalent of 12,943 cubic metres of cargo. Before co-loading, each container contained on average 9.1 cubic metres of cargo. In other words, 22.9 cubic metres of space would have been wasted for each container if the goods were not consolidated.

Through our co-loading efforts, a total of 32,401 cubic metres was saved, the equivalent of 1,013 20-foot equivalent unit (TEU). Based on 2021’s freight cost of approximately \$6,475 per TEU, co-loaded LCL have resulted in a cost savings of \$6,556,174 and an avoidance of approximately 15,607 tCO₂e¹¹.

Twinning 20 Foot Containers

Two 20 foot containers that are due to be delivered to roughly the same geographical location (or driving past one to get to the other) are identified. Instead of sending two vehicles, the deliveries are planned in such a way so that both containers can be placed on the same trailer and delivered one after the other, therefore creating a significant saving in road miles, cost and GHG emissions

avoidance. In 2021, a total of 1,410 containers were twinned, resulting in savings of 176,250 miles (or 283,647 km) of road transport, and consequently 326 tCO₂e of GHG were avoided.

This approach of twinning the containers also helps in cost savings – in 2021, we have saved approximately £156,000 (\$205,623).

	GHG avoided (tCO ₂ e)	Cost savings
Co-loading LCL freight	15,607	\$6.55 m
Twinning 20ft containers	326	\$205,623
Switching road to rail	7,873	\$3.30 m
Palletforce model	129,575	-
	153,381	\$10.06 m

Reducing Emissions Through Rail Freight

Among all the types of freight transport, that one by train turns out to be the mode for medium-long distances with the minimum impact on the environment.

In particular, intermodal transport (i.e. carried out using different modes of transport, in particular the train) reduces CO₂ emissions by 55% on average compared to road transport only.

We have saved both miles and cost by choosing rail over road where possible.

From the Port of Felixstowe, in Suffolk, which is one of United Kingdom's busiest container ports, we have a choice of using either road or rail to transport the cargo to our inland terminals in Manchester, Birmingham and Doncaster.

In 2021, the use of rail to transport the containers from Felixstowe has helped us to avoid between 0.8 to 1.1 tonnes of CO₂e per container. Based on the 8,500 containers moved by rail in 2021, we have avoided approximately 7,873 tCO₂e and also saved an estimated £2.8m (US\$3.3m) in transportation costs.

Through our Palletforce SuperHub in Burton on Trent in the UK where around 500 trucks pass through each 24-hour period and over 20,000 pallets are processed each day, we work with various members who oversee their respective dedicated postcodes.

Every pallet that passes through the Palletforce network is processed by a bespoke artificial intelligence system to identify potential collection and delivery problems. The system uses historical information to minimise wasted mileage, allowing us to reduce truck



	Mileage (miles/km)	GHG avoided per container (tCO ₂ e)	Cost savings using rail instead of road
Felixstowe – Manchester	394 km	1.177	£688,843
Felixstowe – Birmingham	257 km	0.768	£913,892
Felixstowe – Doncaster	298 km	0.891	£1,182,756
			£2,785,491

Table 7: Assuming distance travelled by rail and road are the same, GHG emissions calculated are for a 20ft container with a total weight of 25 tonnes. Calculations for GHG emissions by road and rail were done using World Resources Institute (2015). GHG Protocol tool for mobile combustion. Version 2.6.

turnaround times and to get full loads on the roads as quickly as possible, ensuring that each trip made is as efficient as possible.

In 2021, we have estimated that based on the average movement of 20,000 pallets a night, and by increasing our load fill to over 85% on specialist high volume capacity trailers, the Palletforce network operating model allows us to reduce approximately 400 vehicle journeys per 24-hour period.

This in turn has helped us to avoid approximately 355 tCO₂e each night, which works out to an estimated 129,575 tCO₂e per year.



OUR PEOPLE

EV Cargo is continually improving its equity and diversity efforts to ensure a healthy, inclusive and happy workforce.

Our People

GRI 401-1, TR-RO-320a.2



Employee Welfare GRI 401-1, TR-RO-320a.2

Our employees are important to us. EV Cargo’s priority is to ensure that our employees are engaged and empowered to take on new challenges in their jobs. We foster a culture of respect and transparency, and practice a management style that both listens to employees and actively addresses any concerns.

We believe that success depends on a skilled and motivated workforce, and that employee engagement is key to employee retention. To effectively foster a meaningful work experience, we believe it is important that our employees have knowledge of the company’s direction and priorities and understand how their efforts and successes contribute to overall goals.

Our commitment to attracting, retaining, developing and growing our talent is paramount in this volatile market where engagement is key. Our commitment to our people is demonstrated through our culture change programme – Delivering Better, where we are dedicated to creating an environment enabling our people to grow.

We continuously seek ways to improve and expand



We hired a total of 537 new employees in the 2021 financial year. Females comprised 25% of those new employees.

¹² Rate of new hires is calculated based on number of new hires in FY2021 / total number of employees as at 31 December 2021.

our employee communication channels to ensure that employees are kept up to date and informed. Employee focused training initiatives further contribute to motivation and workforce engagement. In December 2021, we reorganised the Human Resource (HR) function into one core People team with additional resource to support the four pillars of People Resourcing, People Relations, People Development, People Projects and a Shared Services function to implement the new HR Information Systems being introduced in Summer of 2022 – ensuring that our data is in one place.

As of 31 December 2021, EV Cargo employed 2,470 employees globally. A total of 537 new employees were hired in FY2021, comprising 25% females and 75% males.

Our overall rate of new hires¹² was 21.7%, with employees in the 30-50 years old age range contributing to the largest proportion, or 47%, of our overall new hires. Our overall rate of turnover was 11.8% and in 2021, we also conducted a company-wide employee engagement survey. We are pleased to share that we achieved an overall engagement score of 70% across EV Cargo, with leadership and business strategy attaining the highest scores.

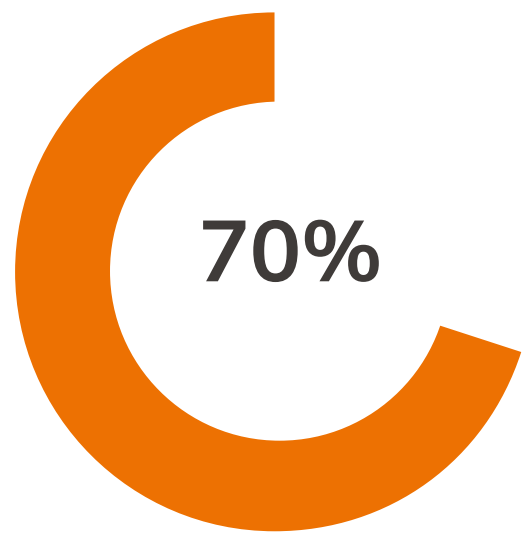


Wellness Wednesdays

We understand the importance of getting outside, putting employees wellness first and swapping video calls for a walking meeting instead. This is incredibly important for employees mental wellbeing. The Business Process Team took this advice and dialled in for their weekly call whilst going for a 45 minute walk around their local area.

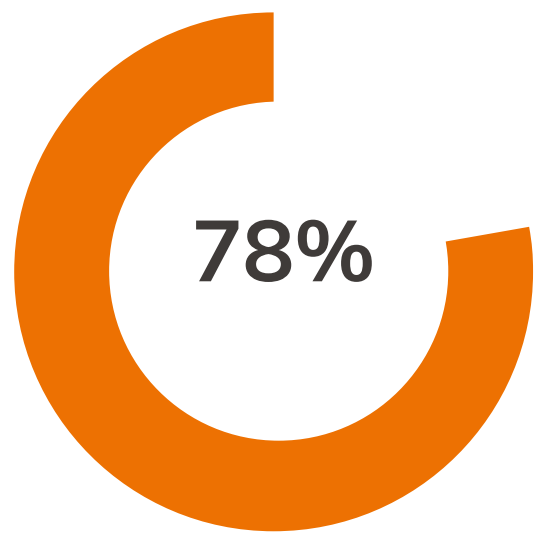
Employee Engagement

In 2021, EV Cargo conducted an employee engagement survey. We achieved an overall engagement score of 70% across EV Cargo, with leadership and business strategy attaining the highest scores.



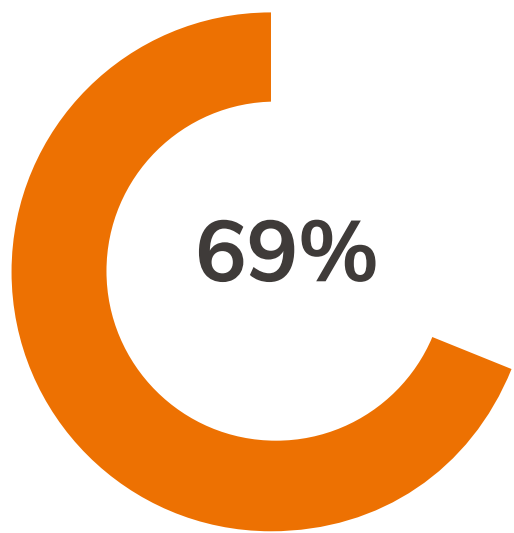
Overall engagement

Our overall engagement score across all of EV Cargo.



Leadership

Leadership had the highest engagement score, with 78%, reflecting the positive relationships colleagues have with their managers.



Business strategy

Communication Communication and business highlighted key areas of focus. It is important to use a variety of communication methods, one size does not fit all.	<ul style="list-style-type: none">• Drivers and warehouse workers particularly favoured face-to-face communication.• Workers want a clear progression path within EV Cargo.• A combination of email and face-to-face communication.	What we are doing <ul style="list-style-type: none">• Introducing central communication platform to reach all areas and every member of staff.• Appointing Internal Communications Manager.• Creating focus groups of warehouse workers and drivers.• Refreshing the EV Cargo newsletter.
Development Demonstrating career development opportunities for all colleagues. By advertising all internal vacancies and highlighting career prospects across one EV Cargo.	<ul style="list-style-type: none">• Advertise all vacancies to enable development.• More training opportunities for day-to-day activities and career progression.• Staff want a clear progression path.	What we have planned <ul style="list-style-type: none">• Create designs for EV Cargo Academy tool to enable all staff to map their careers.• Rollout of HR Survival Skills for all managers.• Action plan to advertise all company-wide vacancies in one place.• Design Leadership Development Programme to consider early careers and graduates.
Mental wellbeing Employees highlighted these areas of concern. We recognise the importance of mental wellness and have plans to roll out new initiatives in 2022.	<ul style="list-style-type: none">• Reducing workload pressure could improve work/life balance and wellbeing.• More information about mental health support and how to access it.• Trained mental health personnel on site.	What's next? <ul style="list-style-type: none">• Increase coverage of Mental Health First Aiders across EV Cargo.• Establish training path to add more workers to the Mental Health First Aiders team.• Increase the focus on mental health through a series of awareness days.

Diversity, Equity & Inclusion

At EV Cargo, we have in place a Diversity, Equity and Inclusion (DEI) policy.

GRI 405-1, GRI 406-1

We are committed to creating an all-inclusive culture where all employees are encouraged and allowed to thrive. At the same time, we believe that it is also important to address Unconscious Bias when building successful diverse and inclusive environments.

People are different and biases are different, but addressing them in a clear and open manner is the common ground that employees need to feel welcomed and heard. Ensuring that everyone has an awareness of how bias manifests in the workplace, and how to prevent unconscious bias from impacting daily business decisions, creates a work atmosphere that is open to accepting new diversity and inclusion initiatives.

In 2021, EV Cargo completed the United Nations Global Compact Target Gender Equality programme, an accelerator programme for companies participating in the United Nations Global Compact. It aims to deepen their implementation of the Women's Empowerment Principles and to strengthen their contribution to Sustainable Development Goal (SDG) 5.5 which calls for women's full participation and equal opportunities for leadership by 2030.

We have proactively recruited female applicants, promoted opportunities for women and made good progress in developing workplaces that accommodate the needs of female employees. Due to the logistics industry being traditionally male-dominated, the attraction and retention of female employees are challenging, particularly for operational roles such as trucking.

Regardless, we have made commitments to strive for continued growth in the number of women we employ across our organisation. In 2021, we have seen the proportion of females in the organisation increase from 19% to 24% over a span of six months. 2022 will see the launch of new training programmes including the Aspirational Women Programme for our female colleagues and Diversity & Inclusivity training for newly appointed managers. As of 31 December 2021, 76% of our employees comprised of males, while females comprised 24%.

Despite our efforts, in 2021 we had one case of discrimination which was reported to the Advisory, Conciliation and Arbitration Service in the UK. This case was then channelled back to EV Cargo for reconciliation and follow up with the affected agency worker. Upon further



investigations, the manager involved in the incident was tasked to attend a specific DEI training program and the case with the agency worker was later settled out of court.

All new managers are now also required to attend regular Diversity & Inclusivity sessions to ensure that, as managers, they have a higher level of responsibility when it comes to recognising and preventing harassment and discrimination.

We believe that age diversity in the workplace can boost the overall performance of a business and that mixed-age work teams have increased productivity and improved performance when it comes to difficult decision-making. 46.8% of our 2,470 workforce comprise of employees aged between 30 to 50 years old, while 33.7% are aged 50 years old and above, and 19.5% are aged 30 years old and below.

At the leadership level, 3 out of 11 (or 27%) of our executive board comprise of females. 38% of our executive board are aged between 30 to 50 years old, while 62% are aged 50 years old and above. By 2023, we aim to achieve a gender pay gap of less than 2%, at least 25% of senior management positions to held by females and at least 25% of female representation in governance bodies.

Lean In Circle At EV Cargo

In September 2021, members of the Sustainability Champions embarked on a journey together to provide a space to connect with others, to give and receive advice, set goals and celebrate each other's wins, whilst navigating through our professional environment.

A Lean In Circle called Women Forward was formed, and the group met virtually on a monthly basis to explore topics such as work life balance, negotiation techniques and centred leadership, among others, with the objective of providing support and guidance to each other.



Spotlight On: Our Award-Winning Women



IT director Kate Lovatt and head of marketing and communications Danielle Owen were praised as stars by judges of the Everywoman Awards for their inspirational work in the logistics sector and their championing of women in the industry.

Kate was named as Tech Innovator of the Year and Danielle won the Freight Award – Above & Beyond honour. And with Jo Duncan, hub operations director, also making the judges' shortlists, the awards were a great vindication and celebration of EV Cargo's proactive policy of promoting and supporting women within logistics.

EV Cargo is leading the way in making the industry more inclusive and diverse and is highlighting the career opportunities for women in logistics. The everywoman awards celebrate the contribution women make to transport and logistics. Kate, Danielle and Jo are seen as inspirations to others in a sector where workers were hailed as heroes for helping to keep supermarkets open and suppliers fully stocked during the Covid-19 lockdowns.

Kate has spearheaded the development of the technology trident, which has been instrumental in the company being able to handle the record volumes of freight – up to 30% above normal – in the past year. She quickly devised systems which allowed the company to sort and deliver freight efficiently while at the same time minimising face-to-face contacts to keep workers safe and trucks moving.

Training & Development

GRI 404-1

We recognise that continued success is dependent on our employees' ability to have the necessary skills, leadership, and competency.

We recognise that continued success is dependent on our employees' ability to have the necessary skills, leadership, and competency. Hence, one of our focus areas is to invest in the learning and development of employees to improve knowledge and working performance.

In 2021, we delivered over 15,000 hours of training to our people, with over 900 hours in diversity and inclusivity training to our senior managers and over 140 hours in equipping our leaders to manage people related matters.

Each employee attended on average, approximately six hours of training in 2021.

2022 will be another exciting year on the training front, as we continue to help our people to grow. While continuing the training programmes for 2021, new programmes that will be rolled out in 2022 include HR Survival Skills. We also aim to increase the number of training hours per employee by 10%, increase the number of employees who have attended programs for upgrading skills and transition assistance programs by 10%, and all employees should receive performance reviews on an annual basis.

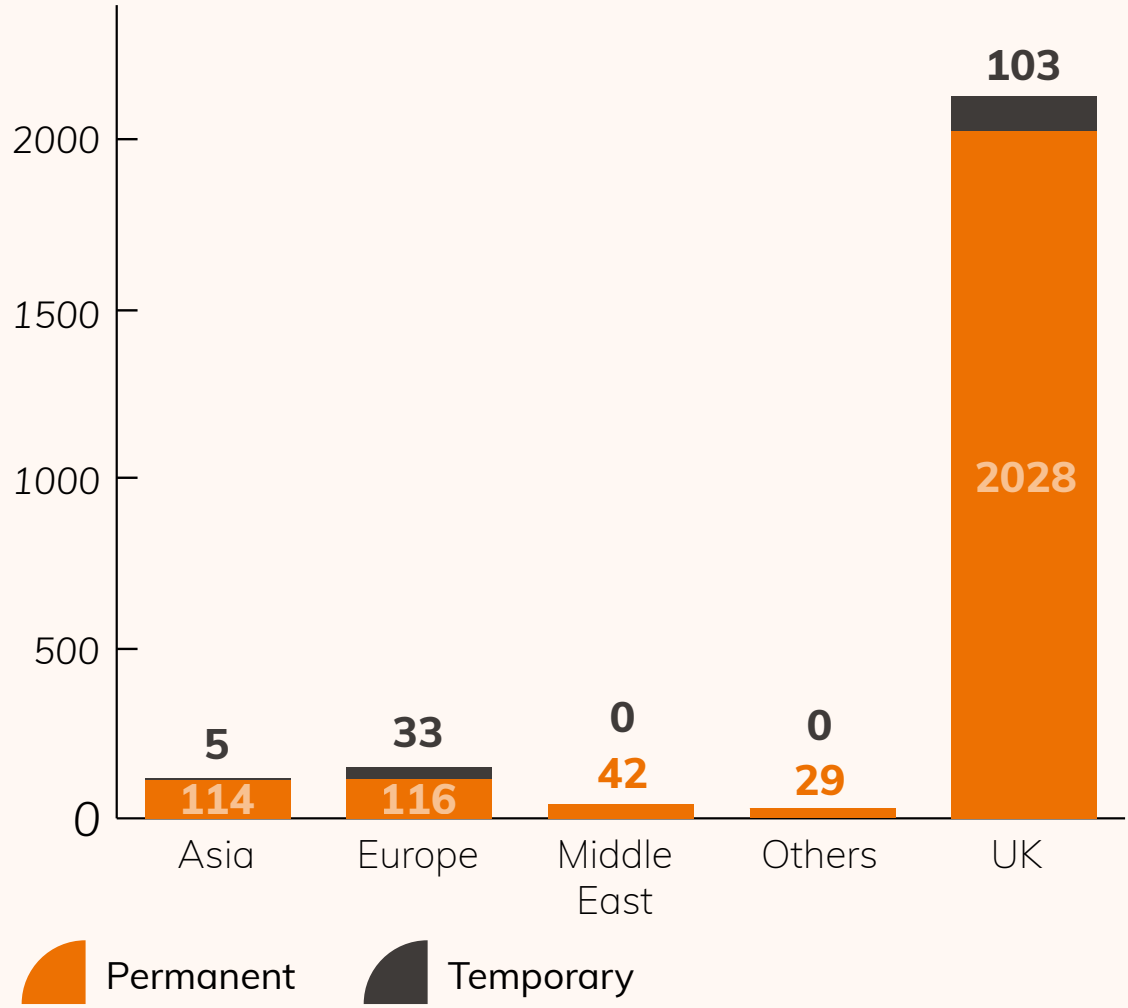


15,000

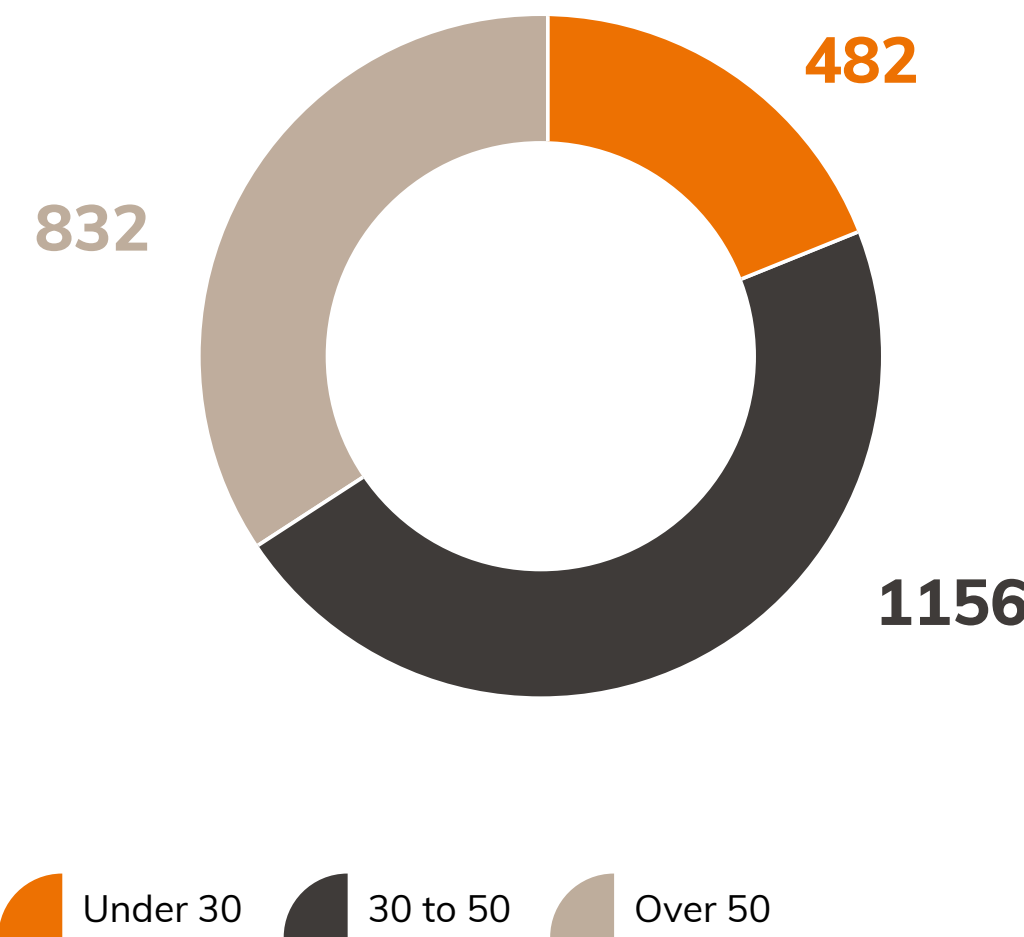
In 2021 we completed 15,000 hours of employee training, including 900 hours on diversity and inclusivity with our senior managers.



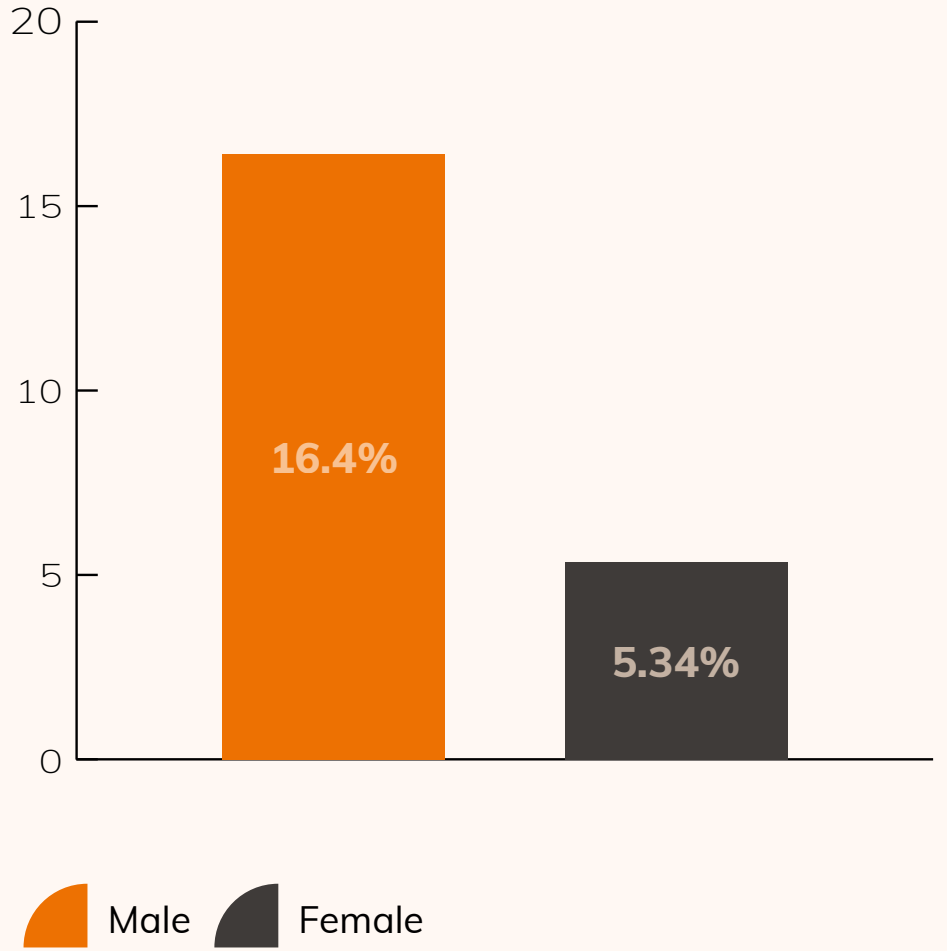
Number of employees by region



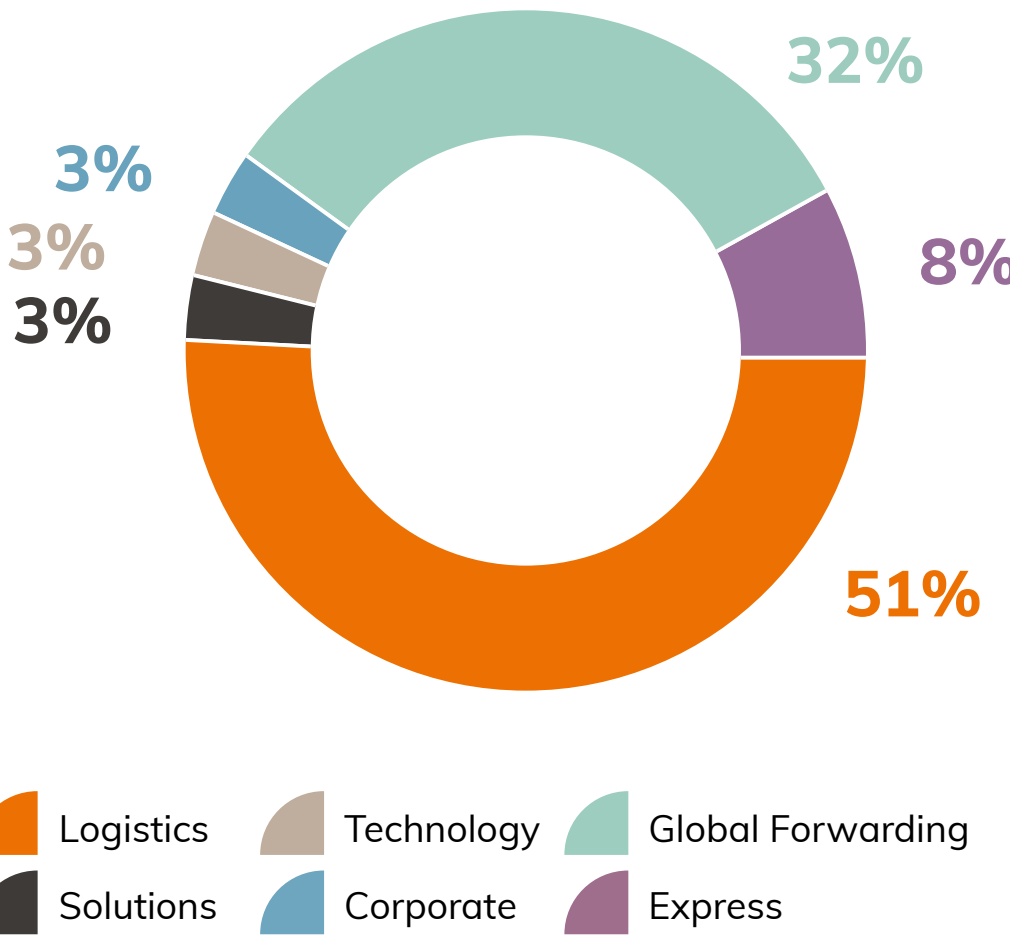
Employees by age group



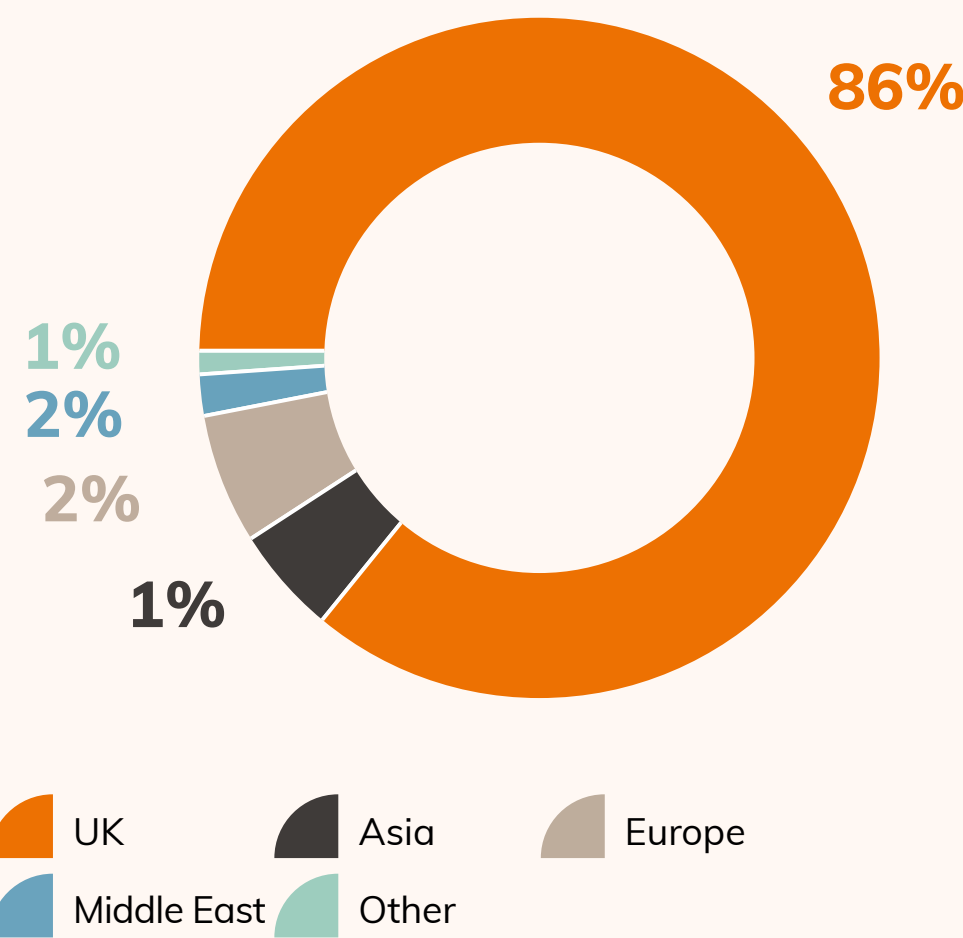
Rate of hires by gender (%)



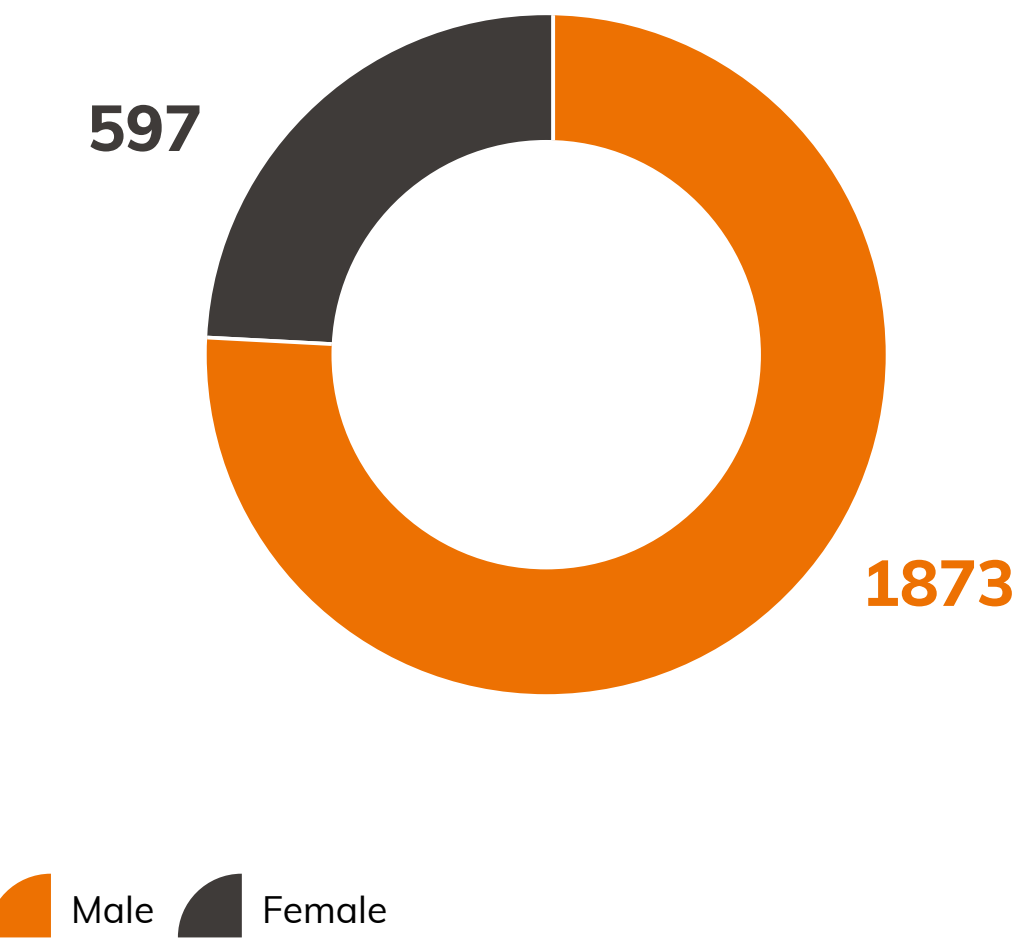
Employees by business entity (%)



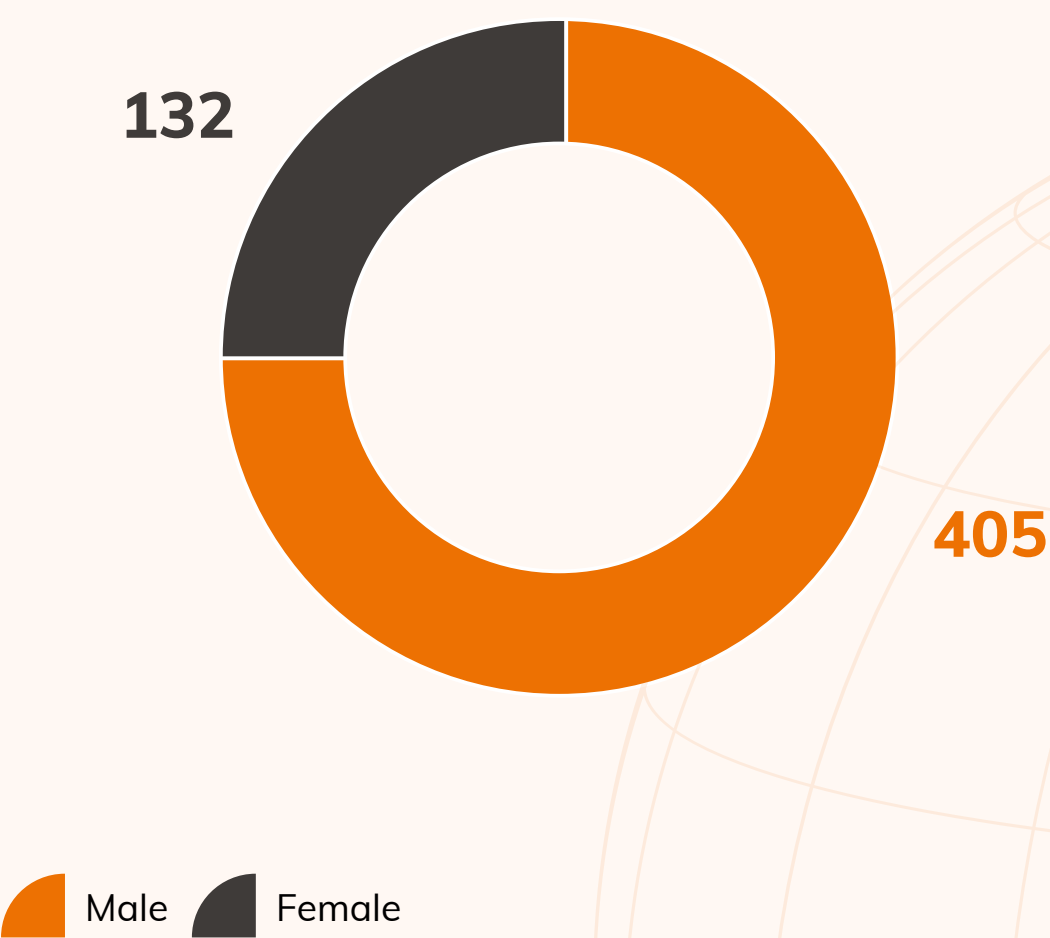
Employees by region (%)



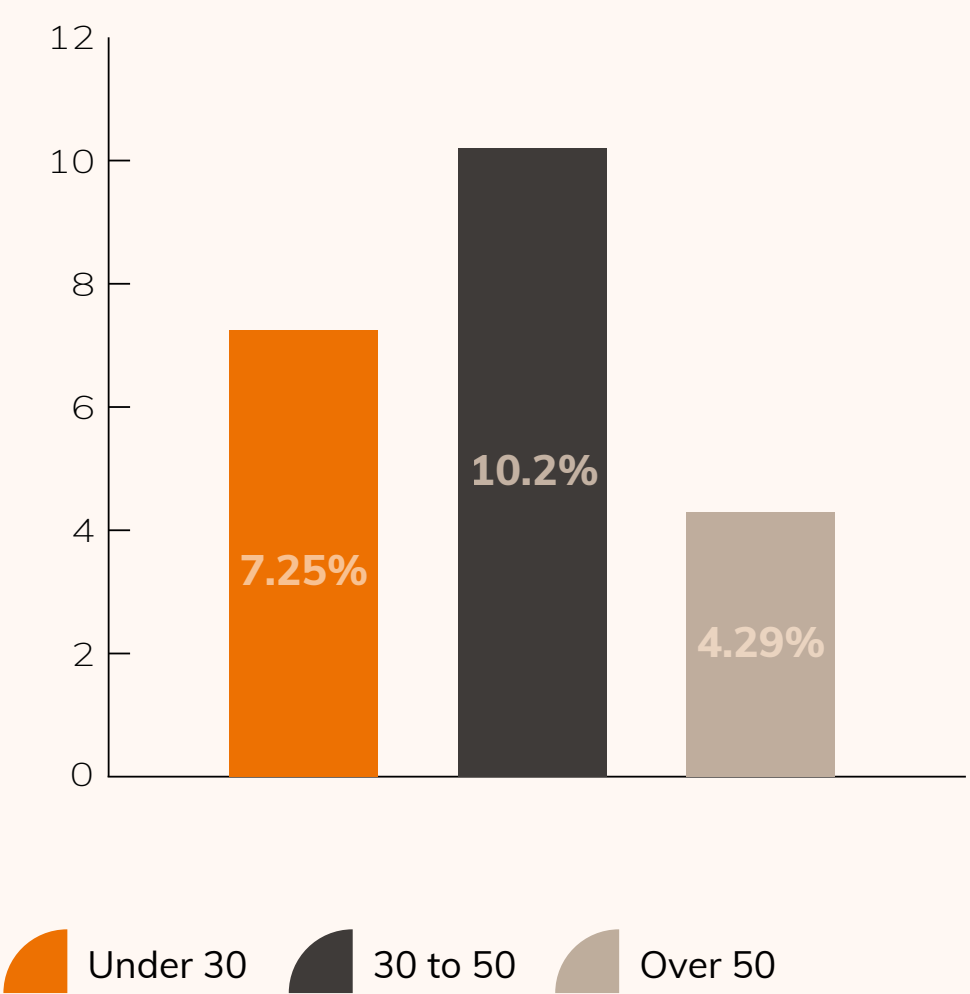
Employees by gender



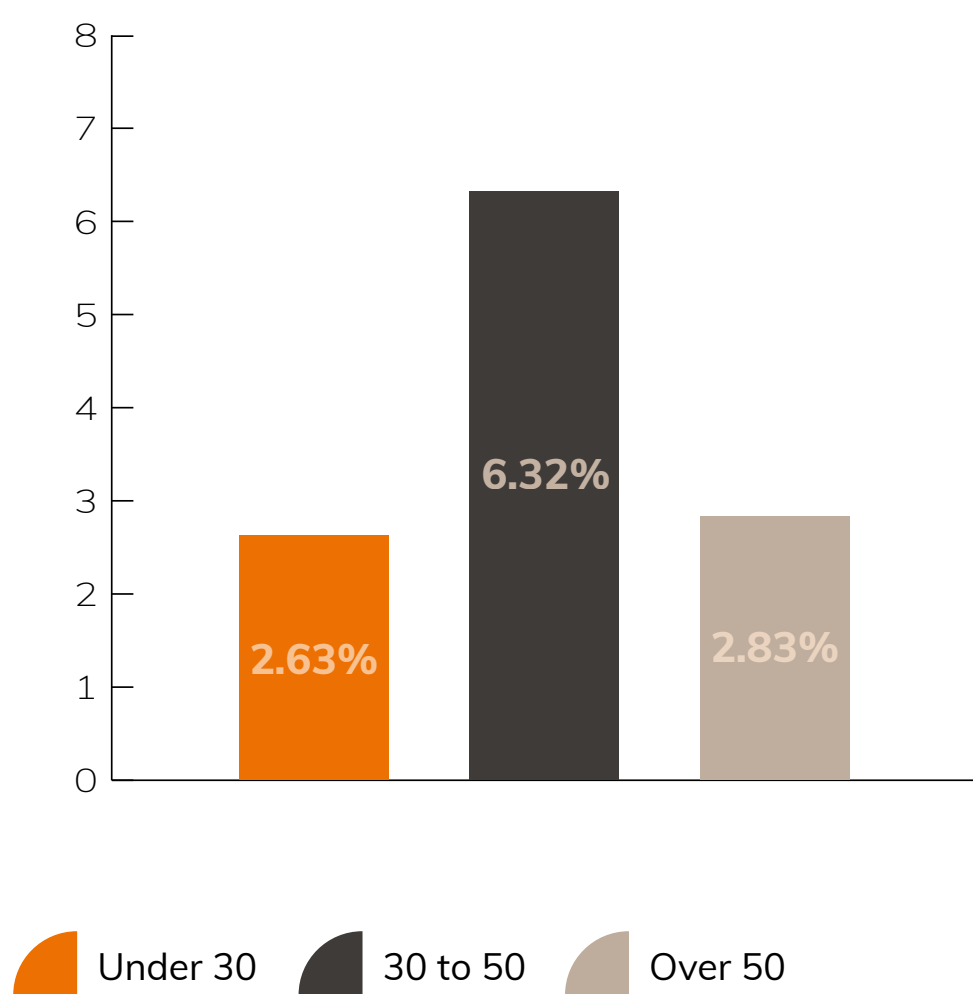
New hires by gender



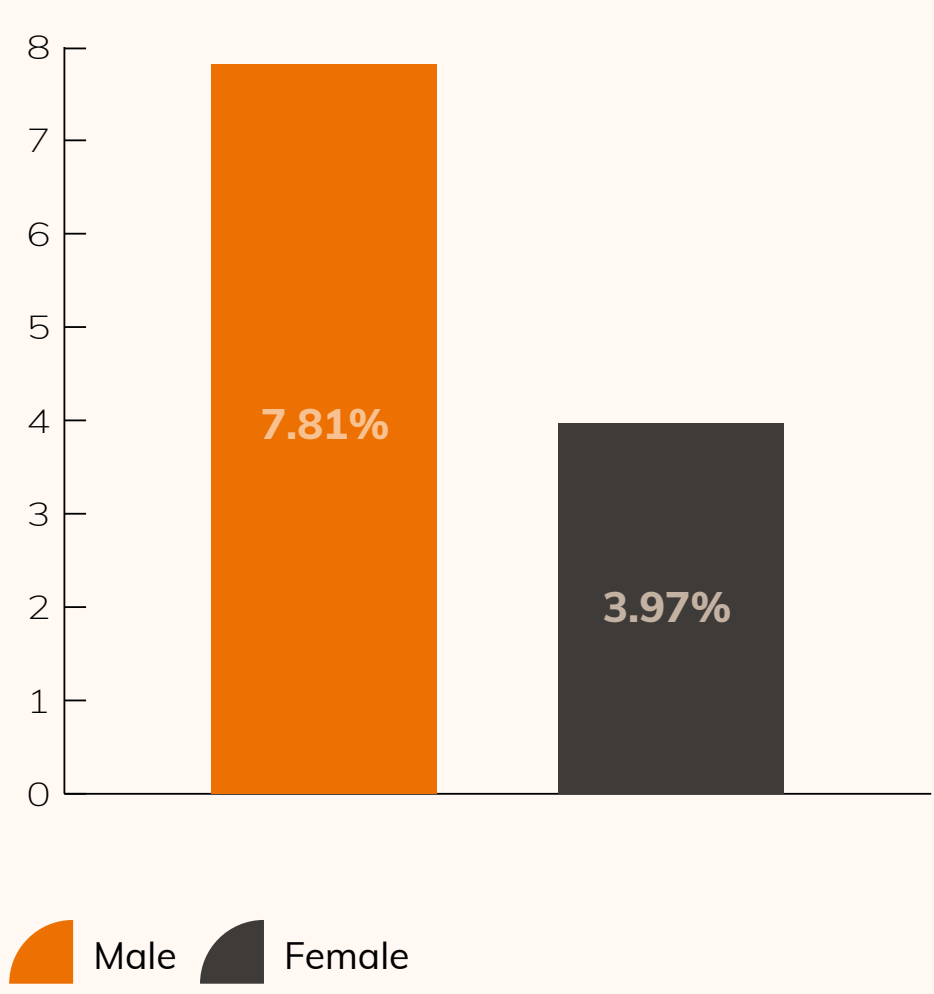
Rate of hires by age group



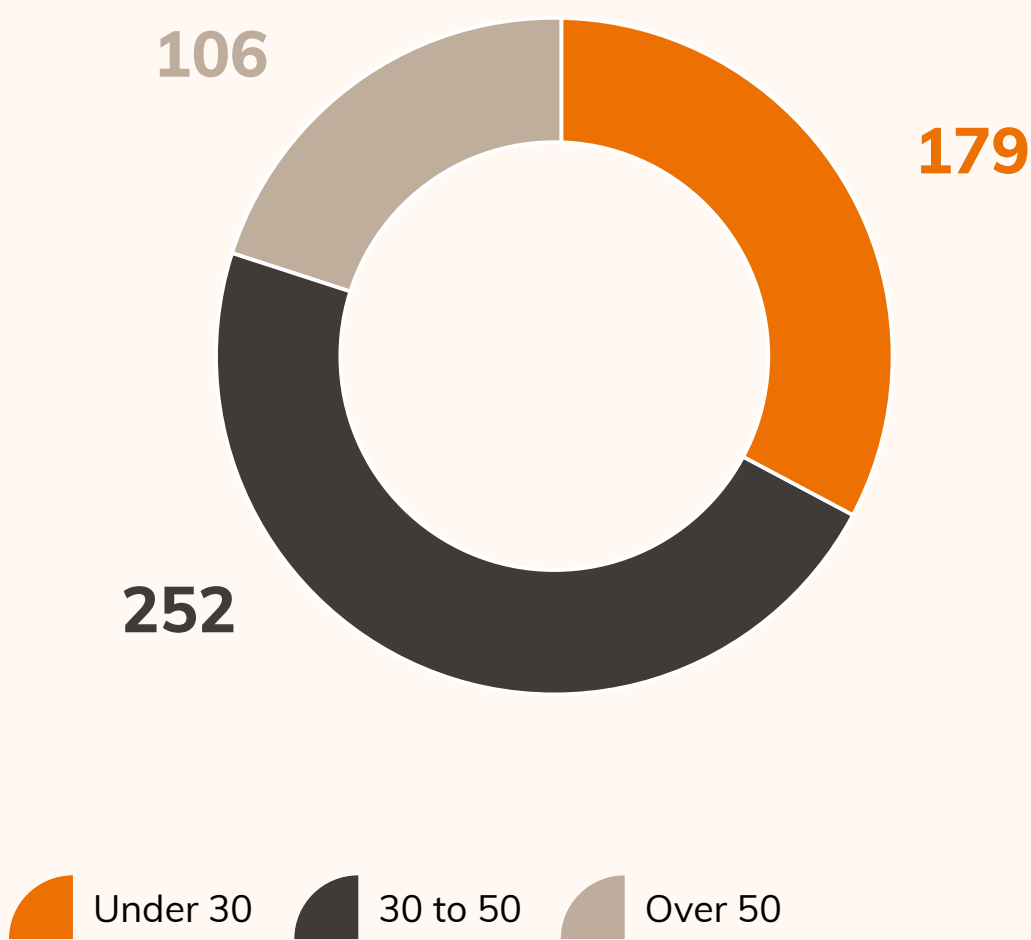
Rate of resignations by age group (%)



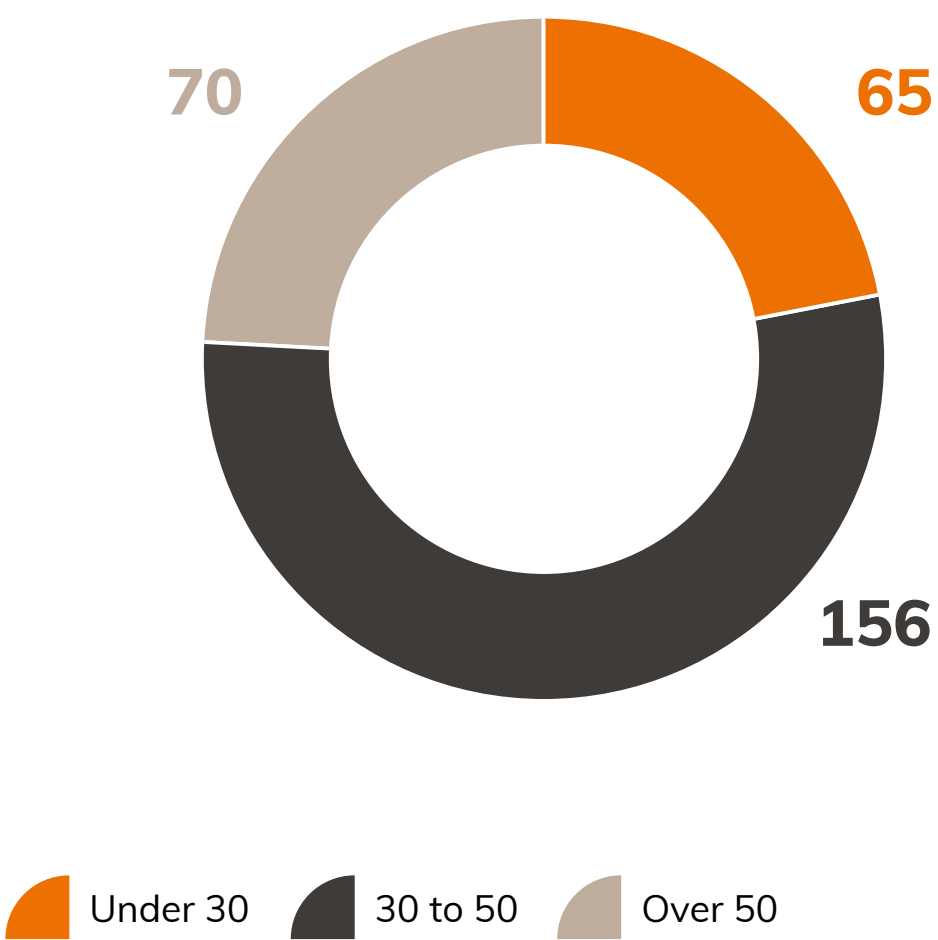
Rate of resignations by gender (%)



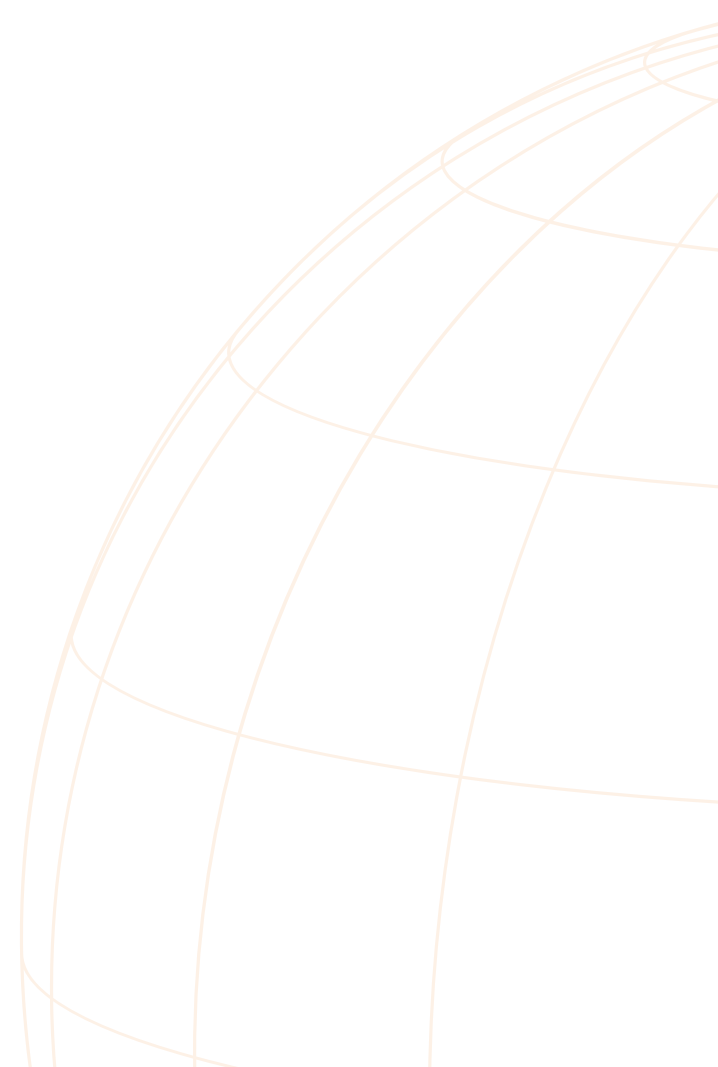
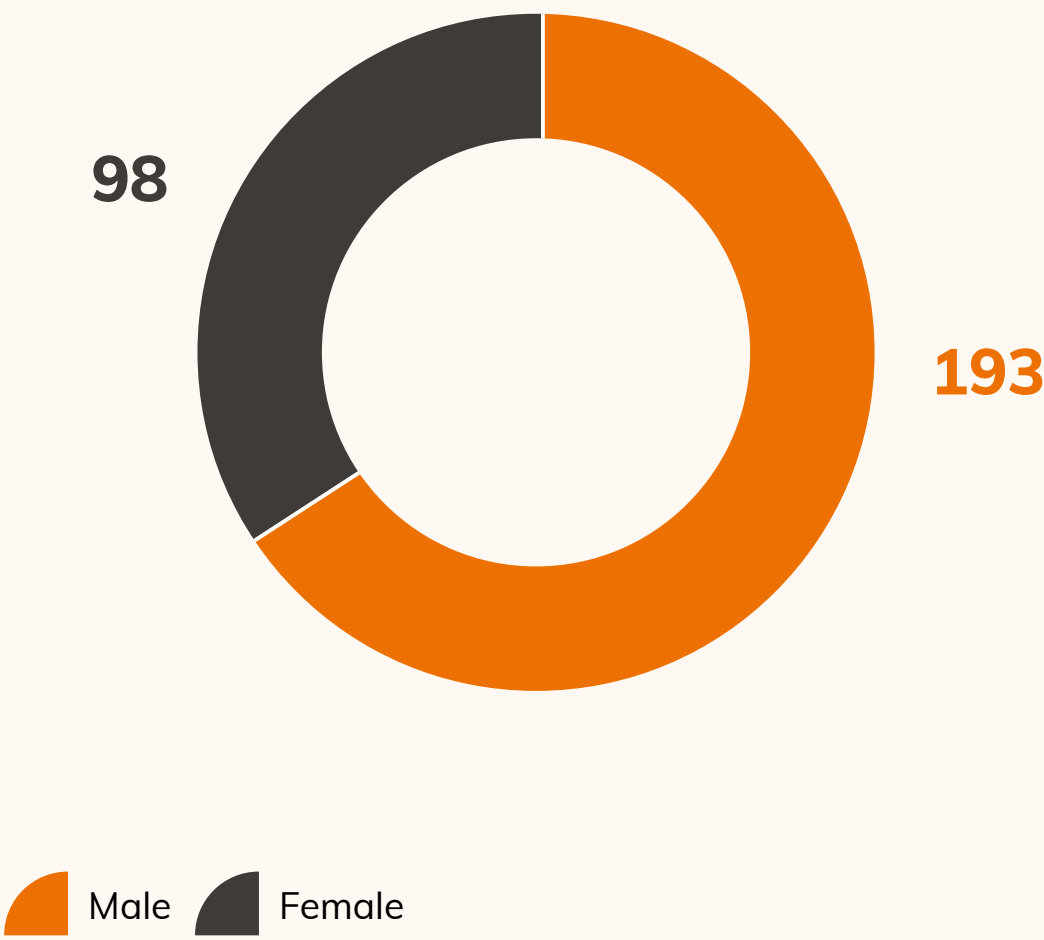
New hires by age group



Resignations by age group



Resignations by gender



Health & Safety

GRI 403-1, GRI 403-2, TR-RO-320a.3, GRI 403-3, GRI 403-6, GRI 403-4, GRI 403-5, GRI 403-9 TR-RO-320a.1, TR-RO-5401a.1, TR-RO-5401a.2

Occupational health and safety is a priority for EV Cargo and we look to conform to best practice in everything we do.

GRI 403-1, GRI 403-2, TR-RO-320a.3

EV Cargo has in place company-wide as well as site specific policies covering occupational health and safety.

We strive to reduce and mitigate risks of ill health, accidents, hazards and near misses by maintaining safe and healthy working conditions, providing and maintaining plant, equipment or machinery and ensuring safe storage and handling of substances.

At our various sites, we ensure that an emergency response and evacuation plan is implemented and tested and that all our employees are aware of their responsibility for their own health and safety at the workplace as well as for those who may be affected by their work.

Risk Assessments and Safe Systems of Work (SSoW), along with clear policies and procedures, are shared with our employees to ensure that they are aware of the hazards at work and the risks they face.

Training is provided to our employees and subcontractors to ensure that they are able to complete their work

safely, and all managers and supervisors are also trained on conducting risk assessments and delivering SSoW training to their respective teams. Regular monitoring of these processes is conducted by site management and the corporate Safety, Health, Environment and Quality (SHEQ) team.

We require our employees and contractors to report all work-related events and near misses, so that we can gather the right information for future interventions and incident-improvement initiatives. Capturing data in this way allows us to monitor, analyse and put in place improvement programmes.

In the event of an accident, a full event investigation system is also in place – employees are able to use the online tool “Engage”, which covers the whole process from investigation to root cause analysis and corrective actions.

Lessons learnt from events or near misses, as well as best practices, are also shared with each site to enhance their knowledge and improve performance.

At EV Cargo, we believe that all employees have a right

to a safe workplace. A stop work policy is in place that allows for our employees or contractors to stop work if there is any unsafe condition or equipment.

Employees are expected to report any activity or condition which he/she believes is unsafe.

Notification should be made to the affected worker(s) and then to the supervisor or designee at the location where the activity or condition exists.

Following notification, resolution of the issue resides with the responsible site supervisor.

GRI 403-3, GRI 403-6

Health and medical surveillance is provided for our employees and may differ based on local regulations. These may include audiometric tests, eye checks, carbon monoxide and nitrogen dioxide monitoring for drivers.

Our employees are also covered by company medical insurance and optional medical health checks are also offered to our employees depending on their age and gender.



At our logistics business unit, drivers are given guidance on health risks together with support and counselling, and where required by the law, drivers would also need to have medical checks to determine fitness to drive.

In the UK, our drivers are also required to undergo periodic training every five years to maintain their Driver Certificate of Professional Competence (CPC), which is a pre-requisite to drive heavy goods vehicles. Topics that the Driver CPC training covers includes health guidance, e.g. healthy heart, hydration, and fitness. Mental health has become an increasingly high-profile issue in recent years – even more so during the COVID pandemic.

Recognising the impact work can have on people's mental wellbeing, we have offered a wide range of support throughout 2021, including:

- Issuance of a comprehensive guidance to those working from home covering eating healthily and coping with working alone in isolation.
- Offering employees membership cards to join a fitness club.
- Resources on wellbeing for all employees.
- Encouraging employees to participate in "Action for Happiness" where employees can take simple actions each month based on the specific theme for that month, so as to build a happier world and make happiness a habit in their life.
- Establishing a wellbeing area in EV People.
- Training Mental Health First Aiders who are equipped to recognise common mental health problems and provide initial help and support.

GRI 403-4

EV Cargo encourages all employees to participate



EV Cargo encourages all employees to participate and provide feedback on health and safety issues.

and provide feedback on health and safety issues. Communication with employees is done through e-mails, SharePoints, notice boards and Health & Safety Committee meetings.

Each of the sites at the logistics business unit have a SHEQ committee and, depending upon site size will meet quarterly or more often.

There are also regional SHEQ meetings where the site representatives come together to learn and share best practices, as well as an annual SHEQ meeting led by our CEO.

GRI 403-5

Training on occupational health and safety is provided to our employees either annually or based on specific frequencies as defined by the company or legal requirements. Examples of health and safety training programmes attended by our employees include safety and health orientation training for all new employees, manual handling, working at height, material handling equipment training, or other product specific training.

All subcontractors receive an induction and site familiarisation. This will include vehicle familiarisation if the subcontractor is a driver.

Depending on their role, further function specific training may also be provided. Health and safety promotion to our subcontractors is done via Toolbox talks, posters, the HR Team and SHEQ team.

GRI 403-9 TR-RO-320a.1, TR-RO-5401a.1, TR-RO-5401a.2

2021 still saw nearly 500 fleet trucks drive almost 39 million miles.

With each fleet vehicle recording an average of over 80,000 miles a year, it is vital that driver safety remains a key priority. We have recorded 87 road accidents and incidents in 2021 across our operations globally.

There was also a total of five reportable injuries and one lost day. There were zero fatalities and zero incidents resulting in spills or releases to the environment.

EV Cargo places a large emphasis on driving standards and the company constantly reviews and improves these training programmes so as to enable the drivers to drive safely and fuel efficiently.

Responsible Business

GRI 408-1, GRI 409-1

Being an ethical organisation is now essential for all companies, both morally and financially.

GRI 408-1, GRI 409-1

At EV Cargo, we understand that respecting human rights in business activities is not only essential for sustainable development but also a responsibility that all companies must fulfill.

In November 2021, we published our Group-wide Modern Slavery Statement which applies to our UK business and global network, as well as an Ethical Trade Policy which describes expectations of our employees, suppliers and contractors on topics such as child labour, forced or compulsory labour, health and safety, discrimination and living wages.

In addition to implementing training programmes and activities to raise awareness on human rights, EV Cargo also has in place Supplier Code of Conduct(s).

The Supplier of Conduct(s) clearly express EV Cargo's firm stance against the use of child labour or forced labour in our supply chain, non-tolerance to bribery and corruption, the need for ethical trade practices and ensuring health and safety of workers.

Where we work with overseas suppliers, as part of our human rights due diligence process, we have identified 13 countries where there is a risk of child labour and forced labour.

Our key suppliers and their agents in these 13 countries are required to undergo an annual ethical trade audit, ensuring that their business practices are in compliance with our Supplier Code of Conduct as well as international best practices on human rights.



Our key suppliers and their agents in 13 countries are required to undergo an annual ethical trade audit.



Our Customers

How EV Cargo works with companies across the globe to improve performance and lessen environmental impacts.

Customer Service

By leveraging significant volumes across a wide range of vertical markets, EV Cargo's considerable purchasing power ensures our competitive rates offer cost-savings across a range of international services.

We can offer advice on which provider and service to use based on our expert knowledge of shipping lanes and local delivery expertise. From customs authorisations to import, export declarations, temporary storage and transit, we are able to support businesses of all sizes.

Through our Single Windows Customs Portal, we are able to provide real-time Customs data links between suppliers and consignees, allowing customers full supply chain transparency.

Award-Winning Service

The Global Forwarding team in Poland received an Honourable Mention "The Best Service of Sea Groupage", at the Logistics Operator of the Year Awards in December 2021. This was presented in recognition of their outstanding ocean freight services.

Logistics Operator of the Year Award is a customer satisfaction survey of logistics operators, which provides information on the scope and quality of logistics services offered on the market.

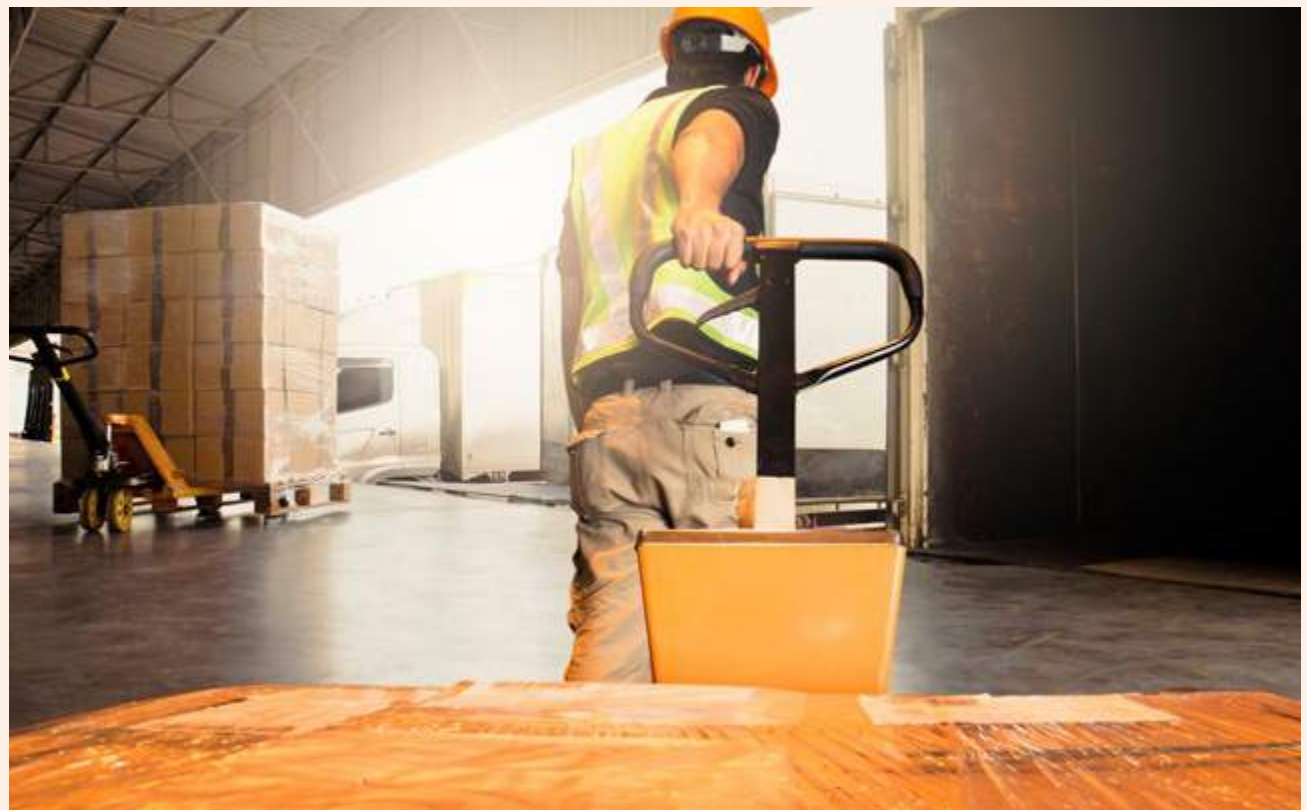
The study has been conducted for twenty years by Data Group Consulting and Eurologistics Publishing House.



EV Cargo supports companies across the planet, helping them connect while also simplifying and decarbonising their supply chains.



Spotlight On: Celebrating 40 Years As The Leading Local Operator In Bangladesh



EV Cargo was the first supply chain provider to be authorised and licensed to operate a large-scale quality control (QC) facility within a container freight station in Bangladesh, and has continually pioneered innovation to deliver efficiencies across the supply chain.

Operating under license, EV Cargo's container freight station is set up to physically handle garments through origin compliance and QC programmes. As a result, they are meticulously maintained, dust free, garment friendly environments adhering to the most stringent of audits.

Coupled with extensive garment on hanger capability, including box to hang, EV Cargo's QC programmes manage out variability and simplify the supply chain for our customers.

Community

GRI 405-1, GRI 406-1

At EV Cargo, we are committed to conducting business in a way that always meets our legal and moral obligations while achieving sustainable growth.

Philanthropy has always been a big part of our culture and we promote charity fundraising within the business as we look to support our local communities across the world.

And, wherever we operate, we strive to provide diverse, equal and opportunistic workplaces which support, encourage and help our staff and pay attention to their physical and emotional wellbeing.

Logistical and Financial Support to Food Aid Charities
EV Cargo's Palletforce has pledged long-term support to two of UK's leading charities battling hunger.

Palletforce has committed supply chain expertise and financial support to both FareShare and the Trussell Trust after being inspired by their work and efforts to redistribute food during the COVID-19 pandemic.

Palletforce and its members have played a key role in the UK-wide distribution of food and grocery items donated to foodbanks as part of a mammoth collaboration with

Sainsbury's, British Gas, FareShare and the Trussell Trust. The unprecedented partnership is supporting families and communities by redistributing nutritious and in-date food to charities, school breakfast clubs and homeless shelters across the UK.

However, the logistics of nationwide food distribution is a long-term challenge for the charities, so Palletforce, and its national member network, has committed to ensuring food packages make their way to families and communities that need help most.

Palletforce Members Raise £16,000 for Charity
Palletforce's annual Members General Meeting attracted a record attendance as it revealed its strategy for 2022, with members helping raise £16,000 for local charities on the night.

Palletforce, which has more than 100 member transport companies in its network, showcased presentations from all of its directors at the event, the first held since before the pandemic in January 2020.



Working in collaboration with Sainsbury's and British Gas, FareShare and the Trussell Trust, Palletforce mobilised its national network of members to ensure that food packages were delivered to families in need across the UK.

Directors laid out plans for a renewed focus on service quality, new member growth and innovative technology and IT advances, as Palletforce reinforced its position as a member-centric network. Through a charity auction, members raised £16,000 for the Midlands Air Ambulance and the When You Wish Upon A Star charities. Items including sports memorabilia were auctioned off as Palletforce continued its significant commitment to charity and community initiatives as part of its wider sustainability strategy.

Single Use Plastics Policy

EV Cargo's Sustainability Champions have been instrumental in driving our 'Single Use Plastics Policy', our intention to reduce plastic waste and unify all our business division activities to minimise the environmental impact of our own and our customers global operations.

Along with our marketing team, they have designed a range of posters displayed at EV Cargo sites to raise awareness on how to reduce single use plastics at home and in the workplace.

Board Games

Business on the Move is a game aimed at introducing players to the exciting world of logistics and global supply chains. It is fun and educational and suitable for anyone over the age of nine years old.

The basic concept of the game is that players run a logistics business moving different products from China to their domestic market by land, air and sea as quickly, profitably and environmentally responsibly as possible. EV Cargo's Sustainability Champions are working with local schools in the UK to engage students on the topic of global business and supply chains, and carbon footprints.

Earth Day

On 22 April 2021 Dr. Virginia Alzina hosted a webinar to reinforce EV Cargo's commitment to sustainability and also shared various measures that the business was taking to reduce its impact on the environment.

Over 120 attendees who participated in the webinar later made personal and professional pledges to embrace sustainability initiatives in their daily lives.



Speakers at the event included Duncan Grewcock, Chief Executive Officer at EV Cargo Technology, who discussed packaging optimisation; Simon Gibbard, Network Operations Director for Palletforce, who outlined the sustainability benefits from the company's network business model and Danielle Owen, EV Cargo's Head of Marketing and Communications, who discussed the subject of "Impacting Communities."

This webinar is the first of its kind for EV Cargo, and is intended to encourage more employees to get involved and attend subsequent sustainability events and initiatives.

EV Cargo's SCM team also joined in on Earth Day 2021, holding a litter picking day to demonstrate their commitment to staff wellbeing and mental health awareness during the continued COVID lock-down period. This was a chance to get out in the open for some much-needed fresh air, combining exercise with practical and social support for local communities.

L3 Harris Sustainability Event

EV Cargo supported long term customer of 10 years L3 Harris Commercial Aviation's sustainability event on 18 November 2021. On our stand featured Simon Power, Vice President Global Operations, Cheryl Hughes-Bye, Integrated Management Systems Manager, and Chris Taylor, Senior Manager Commercial/Operations. Throughout the day, we shared EV Cargo's sustainability progress, the actions in place and strategy. All delegates were asked to complete a short questionnaire whilst visiting the stand to accentuate their knowledge of EV Cargo. For each entry received, we supported the local community by donating to L3 Harris Commercial Aviation's chosen charity - St Catherine's Hospice. The survey received 50 responses and £250 was raised.



GOVERNANCE

EV Cargo pledges to uphold the highest standards of corporate governance and be a standard-bearer for the industry.

Governance

GRI 205-3, GRI 206-1, GRI 418-1, GRI 419-1, GRI 307-1, TR-RO-540.3



Business Ethics GRI 102-16, GRI 205-3, GRI 206-1


At EV Cargo, we are committed to upholding the highest standard of ethical business conduct in all our global business activities.

We strive to foster a culture of ethical conduct where business activities are conducted with integrity and an effective governance structure is in place.

Policies including a Code of Conduct spell out decision-making procedures and actions for all our executives and employees, these policies include Anti-bribery and Corruption, Gifts and Hospitality Policy, Ethical Trade Policy, Diversity, Equity & Inclusivity Policy, Modern Slavery Statement and Privacy Policy.

To ensure all executive officers and employees are aware of these policies, a number of training sessions have been conducted on key compliance topics, some online and others face-to-face.

Online learning modules have also been rolled out on topics that include but are not limited to Anti-bribery and Corruption, and Diversity, Equity and Inclusivity.



EV Cargo gives all employees access to a whistleblowing hotline.

Whistleblowing & Raising Concerns

Employees have access to a Hotline System as a safe avenue to raise, without the fear of reprisal, any improprieties or non-compliances with regulation or our policies.

This dedicated online confidential Whistleblowing tool/hotline is managed by EthicsPoint, an independent third-party, and can be accessed by employees as well as external stakeholders. Reports can be lodged either online or through a direct access number, details of which can be found on the EthicsPoint website.

Issues raised to this Whistleblowing hotline may relate to:

- Violation of any applicable laws and regulations, or violation of EV Cargo's internal policies and procedures.
- Bribery, corruption, conflict of interest, anti-competitive practices.
- Financial fraud or mismanagement.
- Discrimination or victimisation, harassment, unethical behaviour.
- Abuse or theft of EV Cargo's resources and assets.
- Danger to health and safety, criminal activity, damage to the environment.

In 2021, we have not received any confirmed incidents of corruption in relation to our employees or business partners. There have also been zero cases of legal actions relating to anti-competitive behaviour, anti-trust and monopoly practices.

Data Privacy & Security GRI 418-1

User-Managed Data

Protecting the privacy and personal data of our employees as well as users of our software is of utmost importance to us.

This is an important aspect of the way we create, organise and implement our activities on-line and off-line.

EV Cargo has implemented technologies and security policies to protect the stored personal data of our users from unauthorised access, improper use, alteration, unlawful or accidental destruction and accidental loss.

EV Cargo employees and processors who have access to personal data are obliged to respect the privacy of customers and users of our software, and the confidentiality of any personal data which may be shared.

Like many companies of our size, EV Cargo has inherited large amounts of historic data which has been challenging for the IT function to manage, particularly email accounts and file sharing abilities.

This data requires investment to store and backup – the Global IT team is responsible for protecting this data against ransomware attacks which can result in data being leaked.

Cybersecurity

Global IT has, in the last 18 months, implemented new cybersecurity defences to defend against phishing and ransomware attacks, and in 2022, more tools, testing and training will be carried out to minimise the chances of a damaging ransomware or phishing attack.

In 2021 EV Cargo has not received any substantiated complaints concerning breaches of customer privacy.

Compliance GRI 419-1, GRI 307-1, TR-RO-540a.3

Compliance is of utmost importance to EV Cargo. As an international company with operations in both developed and developing countries, we have in place stringent requirements for effective compliance management.

We conduct regular reviews of operational safety and compliance with various local and international standards at our sites and issues (if any) are escalated at monthly meetings with management.

In spite of our regular reviews, we unfortunately had two cases of significant¹³ monetary fines totalling EUR



15,000 imposed by the customs on our Global Forwarding unit in Belgium due to containers being taken from the port with incomplete customs import documentation. This happened due to oversight by the operator during busy periods and a control measure has since been implemented in our operating system which will prevent this from happening in the future.

There were no significant fines or non-monetary sanctions relating to environmental non-compliance.

Management / Transportation of Hazardous Goods

Each day our products are transported by land, sea and air around the world. We want our products to be loaded, transported and handled safely.

To achieve this we aim to minimise risks along the entire transportation chain – from loading and transportation to unloading.

While we have a fleet of company-owned trucks and vans for local delivery, the vast majority of our shipments are handled by third parties.

Before engaging the services of a third-party transport provider or renewing an existing contract, we assess the company’s safety record, financial security and other factors.

We do not contract with any company that does not meet our requirements.

The transportation of dangerous goods is subject to mandatory national and international dangerous goods regulations as well as our internal guidelines, and each EV Cargo site is responsible for implementing transportation safety regulations and guidelines.

We shall disclose our performance for this material topic in the subsequent Sustainability Reports, reporting the number of transportation incidents, and the number of incidents that could lead to significant environmental impact, provided the transport was arranged by EV Cargo.

¹³ Significant fine refers to monetary value of fines which are more than or equal to EUR 5,000.



TRANSFORMING LOGISTICS INTO A
TECHNOLOGY INDUSTRY BY USING INNOVATION TO
CREATE VALUE AND DRIVE SUSTAINABILITY.

VALUE CREATION

EV Cargo is transforming logistics into a technology industry by using innovation to create value and drive sustainability.

Value Creation

GRI 405-1, GRI 406-1



Financial Performance Of The Organisation GRI 201-1

(£000s)	2021
Revenue	£1,127,069
Cost of sales	£982,562
Gross profit	£144,507
EBITDA	£74,620

In 2021 EV Cargo distributed approximately 95% of our revenue to key stakeholders - 8.4% to employees, 0.2% to government in countries where we operate¹⁴ and 0.8% to capital providers. Our revenue has increased by 70% year-on-year to £1.127 billion in 2021. Further details of our economic performance can be found in our 2021 Annual Report.

Technological Innovation / Innovative Solutions

The opportunity to unlock savings at the same time by reducing the overall volumes of cartons, pallets and containers shipped through the supply chain can achieve a ‘win-win’ for retailers: reduced environmental impact and lower supply chain costs.

¹⁴ Corporation tax payments only, excludes PAYE, VAT and duty payments.



Spotlight On: Leveraging Technology To Reduce Emissions For Marks & Spencer And Primark

Marks & Spencer

The Packaging Compliance module requires suppliers to confirm transit packaging sizes and construction against agreed standards set by Marks & Spencer; any requests that are outside of tolerances are flagged, reviewed and, if appropriate, rejected either manually or through automation built into the system.

Results

- Marks & Spencer rationalised 3,800 carton types to just 10 – a 99% reduction in under eight weeks.
- Increased shipping container fill levels for clothing garments by more than 15% to a market-leading 95%.
- Removed the shipping of 1,000 TEU in a year, and avoided associated emissions of 16,347 tCO₂e.
- Helped condense lead times for approval of transit packaging and shipping of goods from 72 hours to just a few minutes.
- Helped Marks & Spencer exceed its planned benefit of 15% cost savings, part of a three-year initiative to increase efficiency within its international supply chain through packaging optimisation.

Primark

EV Cargo’s Packaging Engineers worked with Primark to develop a programme to train its factories to accurately measure products and efficiently package them into shipping cartons, eliminating waste.

Results

- 3.8% reduction in packaging volume (more than 90,000 cubic metres) of shipped and received goods.
- 4% reduction in corrugate material (2.26 million square metres) produced and shipped.
- A reduction of 9 million kgCO₂e.

"We are delighted with the results of this programme, which has reduced our overall volumes of packaging and greenhouse gas emissions."

Simon Luxmoore
Head of Central Supply Chain Primark

"EV Cargo's Packaging Compliance module has provided the data to help us track cartons, establish what was in them and dramatically improve container fill levels. It reduced complexity and cut the need for extra solutions from a supplier perspective."

Stephen Jarman
Vendor Performance & Compliance M&S



Spotlight On: Developing An End-to-End Solution For UK Government During COVID-19

Millions of pounds are wasted annually because of poor transit packaging standards. EV Cargo has assembled an effective combination of people, processes, and technology to help customers capture the benefits of optimal transit packaging. Our technical centre allows us to enhance our clients' supply chain performance through increased control over transit packaging at origin.

EV Cargo's client management and engineering services are specialists in understanding the critical impact of packaging on speed, visibility, and cost of complex global supply chains. Our packaging design, testing, and technical services work closely with our clients' origin office, agents, and suppliers to ensure inbound packaging meets the requirements on every order.

EV Cargo's cloud-based Packaging Compliance module puts the process controls back in the hands of retailers and brand owners.

Using a single point of data entry and complete visibility for both suppliers and packaging technologists it can reduce the lead time taken to agree requirements while improving transit packaging compliance, minimising damage and optimising packaging and ultimately container fill.

The Department of Health & Social Care (DHSC) faced a huge number of complex challenges as it reacted to the rapidly changing Covid situation. The billions of items of PPE it bought to equip NHS staff needed to be transported and stored at short notice.

The department also needed to know how much stock it had and where every item was at all times, so that it could react to demand quickly and effectively. EV Cargo immediately began work on an agile, end-to-end solution.

This rapid response led to the design and setup of its on-demand warehousing and transport solution within just a couple of days.

By managing four partner companies and six warehouses using bespoke software and technology, EV Cargo was able to organise the storage of PPE across the country, in locations which were optimal for the DHSC to ensure it got to the people who needed it in the shortest time.

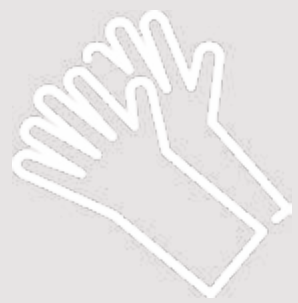
Containers were brought in at quay or freight via Heathrow airport and transported to the warehouses using EV Cargo's road transport network. A specialist team was put together to unload the containers and the stock was then checked and palletised.

EV Cargo's on-demand warehousing service allowed

DHSC to always know where all its stock was. It could track it all at once, rather than having to study six separate warehouse reports.

Results

- A total of 422 containers were devanned, with a total of 1.3 billion pairs of gloves.
- More than 26,000 pallets were handled, and at peak periods more than 15,000 pallets were stored.
- The transport for outbound deliveries was managed and controlled by EV Cargo using 20 logistics partners.
- Estimated cost savings for the Government of around 82%, equating to over £3 million.



1.3bn

EV Cargo devanned a total of 1.3bn pairs of gloves to help Government efforts during the pandemic.

ABOUT THIS REPORT

How our Sustainability Report lays out the company's sustainability strategy and practices.



| About This Report

This report focuses on the sustainability strategy and practices of EV Cargo and its subsidiaries, namely the material environmental, social and governance (ESG) aspects of our business operations.

This report provides an overview of our management approach, priorities, targets and performance reviews in key areas.

The content was defined by identifying and prioritising the company's material ESG factors through a comprehensive materiality assessment completed in 2021 (see page 15).

Reporting Period and Standards GRI 102-50, 102-52, 102-53, 102-54

This is EV Cargo's inaugural Sustainability Report for the period 1 January 2021 to 31 December 2021 and will be published annually.

It covers the same period as the financial year of the company.

Our report has been prepared in accordance with GRI "Core" Option and we have also referred to and set our

targets with reference to the United Nations Sustainable Development Goals.

We are a signatory to the United Nations Global Compact and are committed to its 10 principles.

This report also serves as our Communication on Progress.

This report demonstrates our commitment to keep our stakeholders abreast of EV Cargo's sustainability performance. We welcome feedback at sustainability@evcargo.com.

Report Boundary GRI 102-45, 102-46, 102-48, 102-49

This report covers our key global operations for which we have management control, unless otherwise indicated, including Global Forwarding, Solutions, Logistics, Express, Technology as well as our corporate offices in UK and Hong Kong.

The reporting boundaries for our material topics may vary, due to differences in where the impacts occur most for each topic.



This report provides an overview of our management approach, priorities, targets and performance reviews

The boundaries are specified in the respective sections on our material issues.

Independent Assurance GRI 102-56

We have sought external assurance from an independent third party, DNV, to provide assurance for our greenhouse gas emissions (scope 1, scope 2 and scope 3), energy consumption, air pollutants and diversity data.

The content was reviewed and the accuracy and reliability of the statements were validated in accordance with the International Standard on Assurance Engagements 3000 by the International Federation of Accountants and DNV's Verification Protocol for Sustainability Reporting, VeriSustain™.

ESG Performance Data

Social Performance¹⁵

Number of employees by gender and age group, based on division (GRI 102-7, GRI 102-8)

	Gender		Age Group		
	Male	Female	<30 years	30-50 years	>50 years
Logistics	1150	120	162	534	574
Solutions	47	36	26	39	18
Technology	42	20	13	45	4
Corporate	45	18	13	43	7
Global Forwarding	430	371	216	399	186
Express	159	32	52	96	43
Total	1,873	597	482	1,156	832

No. of employees based on employment type, by gender and region (GRI 102-8)

	Full-time (permanent)			Part-time (temporary)		
	Male	Female	Total	Male	Female	Total
UK	1,634	394	2,028	59	44	103
Europe	56	60	116	13	20	33
Asia	65	49	114	1	4	5
Middle East	33	9	42	0	0	0
Other	12	17	29	0	0	0

Rate of new hires and turnover by age group, gender and region (GRI 401-1)¹⁶

	Rate of new hires (%)					Turnover rate (%)				
	<30 years	30-50 years	>50 years	Male	Female	<30 years	30-50 years	>50 years	Male	Female
UK	5.79	9.23	3.97	15.26	3.72	2.47	5.55	2.17	7.49	3.24
Europe	1.13	0.61	0.24	0.77	1.21	0.08	0.28	0.04	0.04	0.36
Asia	0.28	0.36	0.08	0.32	0.40	0.08	0.49	0.08	0.28	0.36
Middle East	0.04	0.00	0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Number of employees by gender and age group, based on region (GRI 102-8)

	Gender			Age Group		
	Male	Female	Total	<30 years	30-50 years	>50 years
UK	1,693	438	2,131	399	969	763
Europe	69	80	149	43	69	37
Asia	66	53	119	23	72	24
Middle East	33	9	42	7	30	5
Other	12	17	29	10	16	3

Number of new hires and turnover by age group, gender and region (GRI 401-1)

	Gender					Age Group (Years)				
	<30 years	30-50 years	>50 years	Male	Female	<30 years	30-50 years	>50 years	Male	Female
UK	143	228	98	377	92	61	137	67	185	80
Europe	28	15	6	19	30	2	7	1	1	9
Asia	7	9	2	8	10	2	12	2	7	9
Middle East	1	0	0	1	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0

Work-related injuries (GRI 403-9)

Description	Employee type	Number	Rate
Total number of work-related fatalities	Employees	0	0
	Other workers	0	0
Total number and rate ¹⁷ of recordable work-related injuries	Employees	5	Not available
	Other workers	0	Not available

*Contractors are also included in this category of part time (temporary) employees and they would be involved in similar roles as our full time (permanent) employees but are employed on a temporary / fixed term contract.

¹⁵ Data on employee demographics for UK offices is collated from HR systems (for sites where there is a system in place) and then manually (for sites where the HR system has not yet been implemented). For overseas subsidiaries, employee data is provided manually to HR on a monthly basis by each subsidiary.

¹⁶ The rate of new hires and turnover is calculated based on the total number of employees as of end of FY2021.
¹⁷ The rate of recordable work-related injuries is not available as the data on the total man-hours worked for all locations is not available.

GRI Content Index

GRI 102-55

GRI Standard	Disclosure		Page No.	Omission	Reference to other standards
GRI 102: General Disclosures 2016	102-1	Name of the organization	Business Overview, Pg. 6		
	102-2	Activities, brands, products, and services	Business Overview, Pg. 6		
	102-3	Location of headquarters	Company Overview and Highlights, Pg. 7		
	102-4	Location of operations	Company Overview and Highlights, Pg. 7		
	102-5	Ownership and legal form	Business Overview, Pg.6		
	102-6	Markets served	Company Overview and Highlights, Pg. 7		
	102-7	Scale of the organization	Business Overview, Pg. 6		
	102-8	Information on employees and other workers	ESG Performance Data, Pg.		
	102-9	Supply chain	Company Overview and Highlights, Pg. 7		
	102-10	Significant changes to the organization and its supply chain	There are no changes to our organization size, structure, ownership or supply chain in FY2021		
	102-11	Precautionary Principle or approach	Sustainability Management, Pg. 13		
	102-12	External initiatives	Sustainability Management, Pg. 13		
	102-13	Membership of associations	Sustainability Management, Pg. 13		
	102-14	Statement from senior decision-maker	Welcome, Pg. 3		
	102-16	Values, principles, standards, and norms of behaviour	Our Mission, Vision, Purpose and Values, Pg. 9 Governance, Pg. 45		
	102-18	Governance structure	Sustainability Management, Pg. 13		
	102-40	List of stakeholder groups	Materiality and Stakeholder Engagement, Pg. 14		
	102-41	Collective bargaining agreements	Approximately 4.5% of our employees are covered under collective bargaining agreements.		
	102-42	Identifying and selecting stakeholders	Materiality and Stakeholder Engagement, Pg. 14		
	102-43	Approach to stakeholder engagement	Materiality and Stakeholder Engagement, Pg. 14		
	102-44	Key topics and concerns raised	Materiality and Stakeholder Engagement, Pg. 15		
	102-45	Entities included in the consolidated financial statements	Annual Report		
	102-46	Defining report content and topic Boundaries	About This Report, Pg. 51		
	102-47	List of material topics	Materiality and Stakeholder Engagement, Pg.		
	102-48	Restatements of information	About This Report, Pg. 51		
	102-49	Changes in reporting	About This Report, Pg. 51		
	102-50	Reporting period	1 Jan-31 Dec 2021		
	102-51	Date of most recent report	This is EV Cargo's first Sustainability Report.		
	102-52	Reporting cycle	Annually. About This Report Pg. 51		

GRI Standard	Disclosure		Page No.	Omission	Reference to other standards
	102-53	Contact point for questions regarding the report	sustainability@evcargo.com About This Report Pg. 51		
	102-54	Claims of reporting in accordance with the GRI Standards	About This Report Pg. 51		
	102-55	GRI content index	Pg. 55		
	102-56	External assurance	About This Report Pg. 51		
Economic Performance					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Value Creation, Pg. 48		
	103-2	The management approach and its components	Value Creation, Pg. 48		
	103-3	Evaluation of the management approach	Value Creation, Pg. 48		
GRI 205: Economic Performance	201-1	Direct economic value generated and distributed	Value Creation, Pg. 48		
Anti-corruption					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Governance, Pg. 45		
	103-2	The management approach and its components	Governance, Pg. 45		
	103-3	Evaluation of the management approach	Governance, Pg. 45		
GRI 205: Anti-Corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Governance, Pg. 45		
Anti-competition					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Governance, Pg. 45		
	103-2	The management approach and its components	Governance, Pg. 45		
	103-3	Evaluation of the management approach	Governance, Pg. 45		
GRI 206: Anti-Competitive Behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Governance, Pg. 45		
Energy					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Planet, Pg. 23		
	103-2	The management approach and its components	Planet, Pg. 23		
	103-3	Evaluation of the management approach	Planet, Pg. 23		

GRI Content Index

GRI 102-55

GRI Standard	Disclosure		Page No.	Omission	Reference to other standards
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Planet, Pg. 23, 24		TR-RO-110a.3
	302-2	Energy consumption outside of the organization	Planet, Pg. 23, 24		
Emissions					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Planet, Pg. 21		
	103-2	The management approach and its components	Planet, Pg. 21		
	103-3	Evaluation of the management approach	Planet, Pg. 21		
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Planet, Pg. 21, 25		TR-RO-110a.1 TR-RO-110a.2
	305-2	Energy indirect (Scope 2) GHG emissions	Planet, Pg. 21, 25		
	305-3	Other indirect (Scope 3) GHG emissions	Planet, Pg. 21, 25		
	305-4	GHG emissions intensity	Planet, Pg. 23		
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	Planet, Pg. 26		TR-RO-120a.1
Environmental Compliance					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Governance, Pg. 46		
	103-2	The management approach and its components	Governance, Pg. 46		
	103-3	Evaluation of the management approach	Governance, Pg. 46		
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Governance, Pg. 46		TR-RO-540a.3
Employment					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	People, Pg. 31		
	103-2	The management approach and its components	People, Pg. 31		
	103-3	Evaluation of the management approach	People, Pg. 31		
GRI 401: Employment 2016	401-1	New employees hires and employee turnover	People, Pg. 31 ESG Performance Data, Pg.		TR-RO-320a.2
Occupational Health and Safety					

GRI Standard	Disclosure		Page No.	Omission	Reference to other standards
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	People, Pg. 38		
	103-2	The management approach and its components	People, Pg. 38		TR-RO-320a.3
	103-3	Evaluation of the management approach	People, Pg. 38		TR-RO-320a.3
GRI 401: Occupational Health and Safety 2018	403-1	Occupational health and safety management system of work-related fatalities	People, Pg. 38		
	403-2	Hazard identification, risk assessment, and incident investigation	People, Pg. 38		
	403-3	Occupational health services	People, Pg. 38		
	403-4	Worker participation, consultation, and communication on occupational health and safety	People, Pg. 39		
	403-5	Worker training on occupational health and safety	People, Pg. 39		
	403-6	Promotion of worker health	People, Pg. 38		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Excluded as information is currently not available. However, each site manages health and safety of their contractors and suppliers independently.	
	403-9	Work-related injuries	People, Pg. 39	The following are not included as information is not available: -Number and rate of high consequence work injuries -Workers who are not employees -Number of hours worked for employees and workers who are not employees We are working with our various sites to track and monitor these data for inclusion in subsequent reporting.	TR-RO-320a.1 TR-RO-540a.1 TR-RO-540a.2
Training and Education					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	People, Pg. 35		
	103-2	The management approach and its components	People, Pg. 35		
	103-3	Evaluation of the management approach	People, Pg. 35		

GRI Content Index

GRI 102-55

GRI Standard	Disclosure		Page No.	Omission	Reference to other standards
GRI 404: Training and Education	404-1	Average hours of training per year per employee	People, Pg. 35		
Diversity and Equal Opportunity					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	People, Pg. 33-34		
	103-2	The management approach and its components	People, Pg. 33-34		
	103-3	Evaluation of the management approach	People, Pg. 33-34		
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	People, Pg. 33-34, 42 Value Creation, Pg. 48		
Child Labor					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	People, Pg. 40		
	103-2	The management approach and its components	People, Pg. 40		
	103-3	Evaluation of the management approach	People, Pg. 40		
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	People, Pg. 40		
Forced or Compulsory Labor					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	People, Pg. 40		
	103-2	The management approach and its components	People, Pg. 40		
	103-3	Evaluation of the management approach	People, Pg. 40		
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	People, Pg. 40		
Data Privacy & Security					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Governance, Pg. 45		
	103-2	The management approach and its components	Governance, Pg. 45		
	103-3	Evaluation of the management approach	Governance, Pg. 45		
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance, Pg. 45		

GRI Standard	Disclosure		Page No.	Omission	Reference to other standards
Socioeconomic Compliance					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Governance, Pg. 46		
	103-2	The management approach and its components	Governance, Pg. 46		
	103-3	Evaluation of the management approach	Governance, Pg. 46		
GRI 419: Socio-economic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Governance, Pg. 46		

SASB Index

We have disclosed the industry specific disclosures for Road Transportation in the table below.

Topic	Category & Code	Accounting Metric	Unit	2021 EV Cargo Response
Greenhouse Gas Emission	Quantitative TR-RO-110a.1	Gross global Scope 1 Emissions	tCO ₂ -eq	47,238 tCO ₂ e. Refer to Planet - Climate Change, Pg. 25
	Discussion and Analysis TR-RO-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those target		Refer to Planet - Climate Change, Pg. 21
	Quantitative TR-RO-110a.3	(1) Total fuel consumed, (2) per-cent-age natural gas, (3) per-centage renewable	GJ, %	1) Total fuel consumed: 680,600GJ, 2) 0% natural gas, 3) Percentage of renewable energy used is not available. Refer to Planet - Climate Change, Pg. 25
Air Quality	Quantitative TR-RO-120a.1	Air emissions of the following pollutants: (1) NOx (2) SOx, and (3) particulate matter (PM ₁₀)	Metric tons	1) NOx: 4,134 tonnes, 2) SOx: 554 tonnes, 3) PM ₁₀ : 221 tonnes. Refer to Planet - Reducing Air Pollution, Pg. 26.
Driver Working Conditions	Quantitative TR-RO-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Rate	Rate data is currently unavailable. We will collect data and report on this indicator in the subsequent reports.
	Quantitative TR-RO-320a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	Rate	Our overall rate of turnover was 11.8% across the business.
	Discussion and Analysis TR-RO-320a.3	Description of approach to managing short-term and long-term driver health risks	–	Refer to People - Health and Safety, Pg. 38
Accident & Safety Management	Quantitative TR-RO-540a.1	Number of road accidents and incidents	Number	We have recorded a total of 87 road accidents and incidents in 2021.
	Quantitative TR-RO-540a.2	Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/ Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	%	Data is currently unavailable. Our metrics for reporting health and safety are currently not reported in this manner.
	Quantitative TR-RO-540a.3	(1) Number and (2) aggregate volume of spills and releases to the environment	%	There were zero incidents resulting in spills and releases to the environment.

UN Global Compact Index

10 Principles of the UN Global Compact		Relevant GRI Disclosure in our report
Labour		
1.	Businesses should support and respect the protection of internationally proclaimed human rights.	GRI 405-1 (Pg. 48) GRI 406-1 (Pg. 48)
2.	Businesses should make sure that they are not complicit in human rights abuses.	GRI 405-1 (Pg. 48) GRI 406-1 (Pg. 48) GRI 408-1 (Pg. 40) GRI 409-1 (Pg. 40)
3.	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	GRI 401-1 (Pg. 31)
4.	Businesses should work towards the elimination of all forms of forced and compulsory labour.	GRI 409-1 (Pg. 40)
5.	Businesses should work towards the effective abolition of child labour.	GRI 408-1 (Pg. 40)
6.	Businesses should work toward the elimination of discrimination in respect of employment and occupation.	
Environment		
7.	Businesses should support a precautionary approach to environmental challenges.	GRI 302-1 (Pg. 23, 24) GRI 302-2 (Pg. 23, 24) GRI 305-1 (Pg. 21, 25) GRI 305-2 (Pg. 21, 25) GRI 305-3 (Pg. 21, 25)
8.	Businesses should undertake initiatives to promote greater environmental responsibility.	Partnerships with our customers to reduce emissions, Pg. 25, 48.
9.	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Technological Innovation / Innovative Solutions, Pg. 48.
Anti-Corruption		
10.	Businesses should work against corruption in all its forms, including extortion and bribery.	GRI 205-3 (Pg. 45)

External Assurance

GRI 102-56



WHEN TRUST MATTERS

Independent Assurance Statement

EV Cargo Ltd (“EV Cargo”) commissioned DNV Business Assurance Italy S.r.l. (“DNV”, “we”, or “us”) to undertake independent assurance of a sub-set of the information disclosed in the company’s Sustainability Report (the “Report”) for the year ended 31st December 2021.

Scope and approach

We performed our work using DNV’s assurance methodology VeriSustain™, which is based on our professional experience, international assurance best practice including the International Standard on Assurance Engagements 3000 - Revised (“ISAE 3000”), and the Global Reporting Initiative (“GRI”) Sustainability Reporting Standards. We evaluated the Report for adherence to the GRI 101 Principles for defining report content of stakeholder inclusiveness, materiality, sustainability context and completeness (the “Principles”).

Performance data and information

The scope of our work covers the following 2021 disclosures (“Performance data and information”) from the Report:

Performance data:

Energy:

- GRI 302-1 Energy consumption within the organization
- GRI 302-2 Energy consumption outside of the organization

Emissions:

- GRI 305-1 Direct (Scope 1) GHG emissions
- GRI 305-2 Energy indirect (Scope 2) GHG emissions
- GRI 305-3 Other indirect (Scope 3) GHG emissions
- GRI 305-4 GHG emissions intensity
- GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

Diversity and Equal Opportunity and Non-discrimination:

- GRI 405-1 Diversity of governance bodies and employees
- 406-1 Incidents of discrimination and corrective actions taken

We evaluated the Performance data and information using the GRI 101 Reporting Principles for defining report quality (accuracy, balance, clarity, comparability, reliability and timeliness) together with EV Cargo’s data protocols for how the data are measured, recorded and reported. The review of any data from prior years is not within the scope of our work (this includes any data in scope in previous years that has been re-stated).

Responsibilities of EV Cargo and of the assurance providers

EV Cargo have sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of EV Cargo; however, our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

DNV’s assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Level of assurance

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our Assurance Opinion. We are providing a ‘limited level’ of assurance. A ‘reasonable level’ of assurance would have required additional work at Group and site level to gain further evidence to support the basis of our Assurance Opinion.



WHEN TRUST MATTERS

Basis of our opinion

- A multi-disciplinary team of sustainability and assurance specialists performed work at Group level. We undertook the following activities:
- Review of the current sustainability issues that could affect EV Cargo and are of interest to stakeholders;
 - Review of EV Cargo’s approach to stakeholder engagement and recent outputs;
 - Review of information provided to us by EV Cargo on its reporting and management processes relating to the Principles;
 - Interviews with selected topic owners and senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed;
 - Virtual site visits to Heston (EV Cargo Global Forwarding), and Quedgeley (EV Cargo – Downton Logistics) to review process and systems for preparing site level sustainability data. We chose the sites based on their contribution to Energy and Emissions KPIs disclosed in EV Cargo’s Sustainability Report;
 - Review of supporting evidence for key claims in the Report. Our checking processes were prioritised according to materiality and we based our prioritisation on the materiality of issues at Group level; and
 - Review of the processes for gathering and consolidating the selected Performance data and, for a sample, checking the data consolidation.

Our Opinion:

- Based on the work undertaken, nothing came to our attention to suggest that the Report does not properly describe EV Cargo adherence to the Principles of stakeholder inclusiveness, materiality, sustainability context and completeness.
- In terms of quality of the Performance data and information, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate.

Independence

DNV’s established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with EV Cargo.

DNV Business Assurance

DNV Business Assurance Italy S.r.l. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

For and on behalf of DNV Business Assurance France SARL
Paris, France
30th June 2022

Riccardo Arena
Lead Assessor

Alessia Segalini
Reviewer

(*) Assurance carried out with reference to the information presented in EV Cargo’s Sustainability Linked Financing Framework. The scope of our work for these KPIs covered years 2017, 2018, 2019 and 2020 in addition to 2021.