



CSR- *report*

2023

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Time Calls for Sustainable Leadership

ALPI is a family-owned and value-driven global forwarding company. We are founded on decency, consideration, and the ability to adapt. This is needed in these times. And there is a need for us, as leaders, to place ourselves at the center of sustainable changes and sustainable development.

Going forward, companies and their leaders will not only be assessed on their ability to make money but also on their contributions to and impact on society and people. Thus, we have a task to incorporate and implement sustainability and responsibility in all parts of ALPI's value chain.

We must avoid constantly passing the ball to neighbors, authorities, politicians, customers, consumers, and other good folks. The solution is rather that we place ourselves at the center of the changes. That we act rather than wait for others to do something – and this is no easy exercise. Especially when it comes to transitioning the transportation industry. Studies show that one-fourth of the 100 largest companies in the world have earnings dependent on fossil fuels. Thus, phasing out fossil fuels can have significant consequences – in large as well as small businesses. But we all must take responsibility and contribute.

Sustainable leadership today also involves leading our employees through a process of change. Directing the spotlight toward a world with new agendas where different competencies and a different mindset are needed than

traditionally in the transportation and forwarding industry. All the while – we maintain a full focus on the core business.

For us, it is crucial that we create insight, trust, and transparency in ALPI's value chain. We are on a journey where we learn to think about value in multiple ways - where not only the financial bottom line counts but also social and climate results are included. If we do not move ourselves, legislation will pull us there. CSRD is just around the corner. And we must be able and willing to turn ESG reporting into ESG development.


The new world requires its leadership - a sustainable leadership. We also have new things to learn - we gladly admit that.

We met 2023 - and will continue to meet - customers, colleagues, and partners with the mindset: Where there is a will, there is a way. And we are on the way.


Happy reading!

Morten Høgsberg Nielsen
CEO ALPI Air & Sea

Kjeld Tygesen
CEO Director ALPI Danmark



Morten Høgsberg Nielsen
CEO ALPI Air & Sea



Kjeld Tygesen
CEO Director ALPI Danmark

About ALPI

The ALPI Group is a global freight forwarding company founded in Italy in 1945 by the Albini and Pitigliani families. The company remains in the ownership of the two families, and the ALPI Group has offices in 77 countries.

The Danish part of the ALPI Group, ALPI Danmark, was established in 1992, and ALPI Air & Sea in 2001. The Danish group is referred to in the report under the collective name ALPI. We have our head office in Herning and branches in Kolding, Karlslunde, Padborg and Odense.

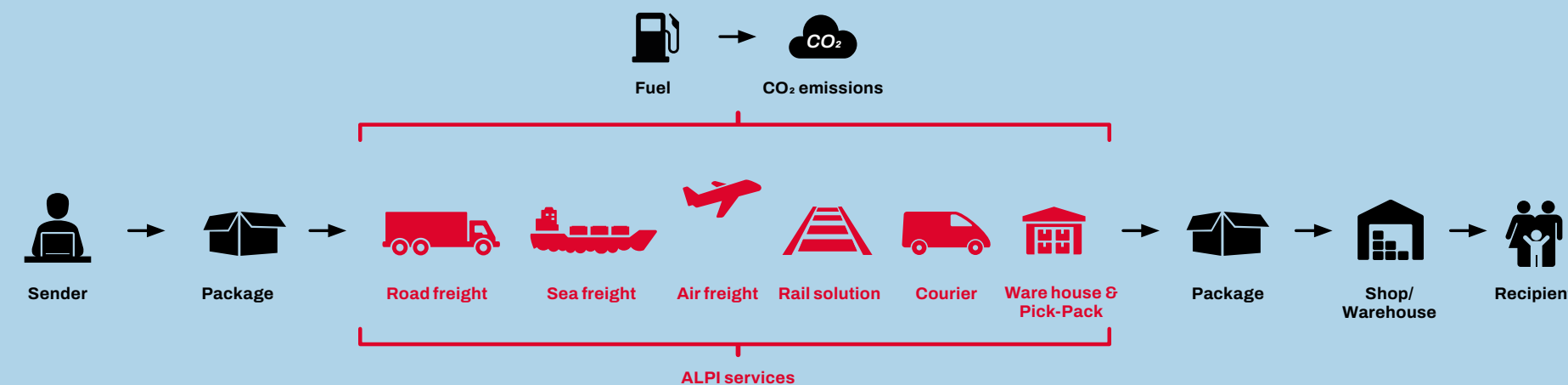
We offer full-service transport and logistics worldwide. In addition to car transport, air freight and sea freight, we offer courier solutions, rail solutions, warehouse hotels, pick-pack, trade fair forwarding and consultancy. We operate a business model where we do not own the means of transport. All transport is carried out in collaboration with experienced hauliers, as well as reputable shipping companies and airlines.

ALPI focuses on customer intimacy, and we strive to be at the forefront of service, collaboration, accountability and sustainability.

Our customer segment is primarily small and medium-sized companies that need flexibility and handheld solutions throughout the transport chain. Experienced ALPIsters ensure global follow-up, help and advice.

Locations	Products
Herning (head office) <i>Established in 1992</i>	Car transport Air freight Sea freight Courier Rail/intermodal solution Warehouse hotel and pick-pack
Kolding <i>Established in 2018</i>	Sea freight Warehouse hotel and pick-pack
Padborg <i>Established in 2015</i> (From 01/07 2023 including Spedition Christensen)	Car transport Rail/intermodal solution
Odense <i>Established in 2008</i>	Sea freight Air freight Courier Warehouse hotel and pick-pack
Karlslunde <i>Established in 2022</i>	Car transport

ALPI has always had responsibility at its core. Internal and external social action has been integral to the company since its foundation. We started structured environmental work in 2019 and launched the ALPI Go Green project in 2020. One of the goals was - and still is - to gain knowledge about developments and technologies, and to actively work on the green transition in the transport industry to inform and guide our customers and provide transparent and valid CO₂ data. As a result, we now act as a sounding board for many of our customers and partners. Transportation today is about more than just moving goods and products from A to B. At ALPI, we place great emphasis on the know-how and knowledge, as well as the services that are necessary for a successful and future-proof collaboration. Therefore, we offer our customers support throughout the entire supply chain through our Supply Chain Services.



Key figures

229 employees

5,6 years of seniority

20 trainees

Average age 42

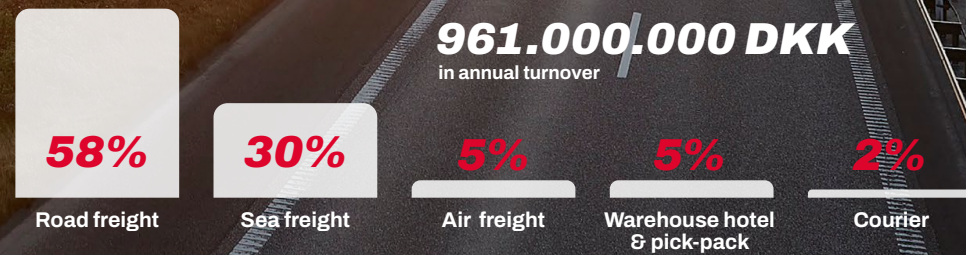
518.338 kWh
renewable energy

7.492 m³
natural gas

238.183 kg CO₂
in scopes 1 & 2

45.513.135 kg CO₂
in scope 3

5 sites
in Denmark



Joint Changes and Collaborative Efforts: Green Transport Collaboration

Bæredygtig Herning (Sustainable Herning) serves as both a knowledge and innovation partner, propelling Herning Municipality towards a more sustainable society. Established by Herning Municipality in 2020, Bæredygtig Herning is dedicated to intensifying the focus on the UN's Sustainable Development Goals. ALPI holds a seat on the advisory board for the board of directors and management.

The underlying belief is that true transformation only occurs when a community mobilizes collectively. Therefore, all members of Bæredygtig Herning actively contribute their knowledge and involvement. This community is the catalyst for sustainable development.

One of the completed projects is 'Future Transport'. Nine transportation companies, including ALPI, have explored future solutions for the transport industry in a collective effort. We have been one of the driving forces behind the initiative to unite transport companies. In this forum, we share knowledge and experiences in pursuing green transformation. Few have the capability to illuminate the entire field on their own. Therefore, even though some are competitors, we have chosen to collaborate to promote sustainability. This

group of transportation companies has delved into topics such as technologies in the transport industry, supply chains, carbon footprints, climate accounting, and ESG reporting.

Another project by Bæredygtig Herning is the creation of joint internships in collaboration with Aarhus University, Herning Municipality, and three companies in Central Jutland. Alongside their internships, the students receive a supplementary competence development program from Bæredygtig Herning, which includes additional teaching, coaching, and competence development in sustainability, while they work on various projects within the companies.

- In 2024, students at ALPI will engage in projects on:
- Social Sustainability: Managing changes, well-being, hybrid working life, diversity, attraction, and retention. How do we manage Generation Z?
 - Digitalization, AI, and People: We are keen to explore the potential of digitalization and artificial intelligence in a humanistic context.
 - Communication and Dissemination of Sustainable Initiatives: How do we best communicate our sustainable initiatives internally and externally?

Digitalization, Data, and Sustainability

No sustainability without data-period. The challenges of ESG and CSRD reporting can leave one breathless, especially when addressing the data collection for Scope 3 emissions. These emissions, typically the largest for most companies, are often linked to external activities, meaning data must be collected from suppliers and partners. This new requirement poses significant challenges for many companies-data collection, validation, and consolidation of data structures, methods, and governance are all evolving needs.

At ALPI, we took a strategic decision back in 2020 to invest in developing a CO₂ calculator that provides CO₂ data for our customers' shipments with us. This calculator was developed in cooperation with Aarhus University's Center for Energy Technologies, ensuring compliance with the latest research and internationally recognized standards for CO₂ emissions in transportation. We provide transparent data based on well-known starting points.

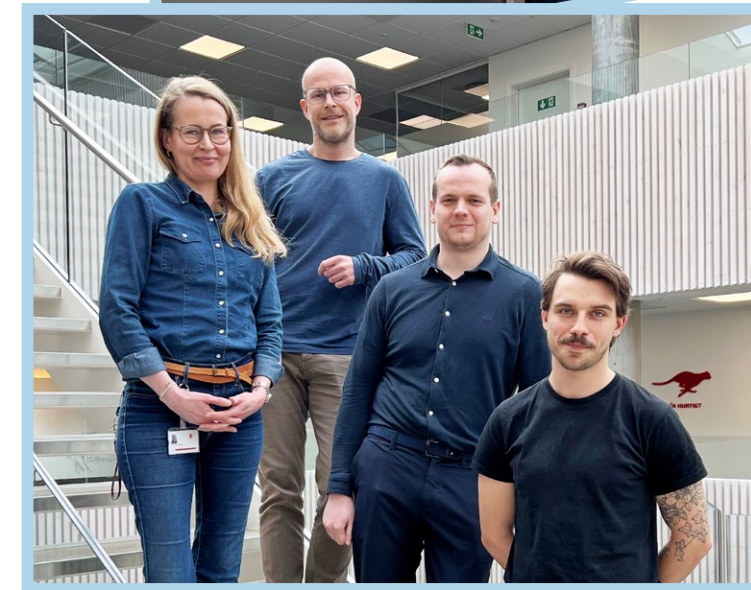
In 2023, we significantly enhanced our team, added more resources, and prioritized the development of platforms and calculations to ensure more accurate data. We entered into a partnership with an international partner, GreenRouter, to secure a certified and compatible tool for managing both our customers' and our own CO₂ data. The new calculator, which builds on a

previous model and which we will fully implement in 2024, is compatible with GLEC 3 and ISO14083. We have recalculated all ALPI's CO₂ data in Scope 3 for the years 2020, 2021, 2022, and 2023. This large-scale effort ensures a robust basis for comparison and the ability to work with high-quality data that closely approximates the real climate footprint.

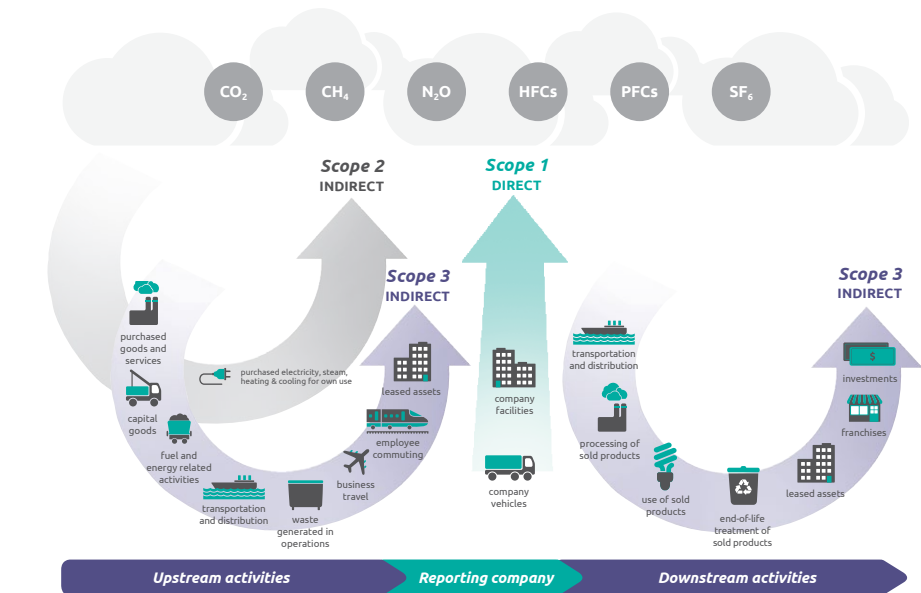
The recalculations are presented in Co₂e Well-to-Wheel (WTW) to include emissions across our entire supply chain.

We are also part of an international project, GILA, where experts from Europe and the USA collaborate on optimizing processes, including at terminals and ports, aiming to reduce CO₂ emissions. These exciting and necessary joint efforts begin and aim at working towards more sustainable solutions on a global scale.

Data is essential and must be used internally as the foundation for our ALPI Go Green initiatives, and equally importantly, can be used going forward in cooperation with our clients to pursue more sustainable solutions. Data-driven development is necessary; thus, digitalization continues to be a focal point for ALPI in 2024.



Technological innovation and data are crucial in our sustainability efforts. We have allocated additional resources and expertise to our dedicated team working across sustainability, data, and digitalization.



Source: <https://www.epa.gov/climateleadership/scope-1-and-scope-2-inventory-guidance>



ALPI's CO₂ calculator version 2 includes, among other things

- more options for recording fuel mixtures
- updated and more precise Co₂e values for emissions from fuel types
- additional waypoints which provide greater transparency in CO₂ emissions for transports involving multiple modes and stops
- increased transparency facilitates better route optimization and, through analysis, the selection of more sustainable and optimized transport methods
- energy consumption (MJ) at suppliers and subcontractors in connection with the use of equipment and other energy uses
- particulate matter (PMX) emissions, which include all IPCC greenhouse gases plus carbon, which has a potent short-term effect on climate and public health

Facts

ISO14083:

The International Organization for Standardization (ISO) is an independent entity represented in 160 countries. ISO 14083, released in March 2023, covers the quantification and reporting of greenhouse gases from the supply chain in a transportation company. In alignment with the UN Sustainable Development Goals, this standard encompasses areas such as: 13/climate action, 9/industry, innovation, and infrastructure, and 11/sustainable cities and communities.

GLEC 3:

GLEC 3 was published in September 2023 by the Smart Freight Centre (SFC) as an update to GLEC 2, following the release of ISO 14083. The Global Logistic Emission Council (GLEC) is an NGO founded by 150 international companies dedicated to fostering collaboration, standardization, and guidance in the calculation and reporting of greenhouse gas, CO₂ emissions from transport activities. It is essential to continually develop and standardize these calculations to ensure transparency and validity in reporting.



The ALPI Go Green strategy is our way of linking the business to the triple bottom line. We are part of a transportation industry that accounts for nearly 30% of the EU's total CO₂ emissions. As an industry, we are part of the problem. With ALPI Go Green, we become part of the solution.

ALPI Go Green is based on the UN's Sustainable Development Goals and focuses on social sustainability, reducing our CO₂ emissions, creating innovative greener solutions, and projects. 2020 is the baseline and base year for the following goals and ambitions.

2030 ambition



50% of turnover is made up of greener* solutions



40% CO₂ reduction across Scopes 1, 2 and 3





Preferred workplace and partner with a focus on sustainability and well-being

*We define "greener solutions" as technologies and fuel types that are fossil-free or emit less CO₂ than diesel.

We will launch ALPI Go Green version 3 during 2024. The strategy will be adjusted according to technological opportunities that arise. It will reflect the initiatives, goals, and projects we undertake as we evolve and as new opportunities and technologies emerge. Regulatory requirements will also be integrated.

	Ambition 2030	Goal 2025	Initiatives	Status 2023
7 AFFORDABLE AND CLEAN ENERGY Decrease climate footprint 50% of our turnover comes from greener solutions		The entire fleet is minimum Euronorm 6.	Initiatives under preparation.	95% of fleet is Euronorm 6 while 5% is Euronorm 5.
		Convert 20% of transport to flexible delivery and reduce empty kilometres through fleet management.	Initiatives under consideration.	Initiatives under consideration.
		The range of CO ₂ neutral transport solutions increased vs 2020.	Mapping of options in all transport continues.	CO ₂ compensation is being phased out as it is categorized as offsetting, and therefore cannot be used in the climate accounting. Trials with two international routes using LNG gas have been conducted and evaluated. Mapping and dialogue with suppliers to identify CO ₂ -reduced transportation solutions continue.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Ambition 2030	Goal 2025	Initiatives	Status 2023
 <p>Innovative solutions</p> <p>40% CO₂ reduction across Scopes 1, 2 and 3 vs 2020</p>	All ALPIs locations are CO ₂ neutral.	100% green electricity consumption. CO ₂ offsetting for other Scope 1 and 2 emissions.	100% CO ₂ neutral.	
	75% of all company vehicles to be electric or hybrid.	Replacing company vehicles starts in 2023.	18 charging stations for passenger cars in four out of six sites. In acquiring company vehicles evaluate fuel against requirements.	
	Preferred sounding board for customers in sustainability and ESG within transport and logistics.	Upgrade to ALPIs CO ₂ calculator, version 2. Information meetings for customers and collaboration partners about more sustainable initiatives and ESG.	CO ₂ reports on all transports except for courier. Development meetings with customers on a continuous basis.	
	Enter into five green partnerships per year with customers and partners to reduce CO ₂ emissions.	Mapping of opportunities in green partnerships continues.	Two initiatives in collaboration with suppliers.	

3 GOOD HEALTH AND WELL-BEING	Ambition 2030	Goal 2025	Initiatives	Status 2023
 <p>Social sustainability</p> <p>Preferred workplace and partner with a focus on sustainability and well-being</p>	Zero occupational accidents at ALPI.	Mapping of risks related to the physical working environment in progress ongoing.	1 occupational accident followed up with workplace risk assessment and review in working environment committee.	
	All ALPIsters work and act with High5 as a collegial and commercial starting point.	Cross-organizational High5 group work with focus on High5 behaviour at ALPI, collegially and commercially. Two yearly events for all employees from all locations. Courses for new and existing employees with presentation of High5. High5 is a fixed topic in all 1:1 dialogues.	5 employees and a team of 6 employees have been rewarded for special High5 efforts.	
	Ensure and maintain healthy ALPIsters with high well-being.	Offer preventive well-being interviews with third parties. Offer of massages during working hours. Health insurance for all employees. Healthy and organic food for employees. Mapping of risks related to physical work environment.	Well-being survey conducted in March 2023 followed by specific initiatives in departments. Well-being survey conducted every year.	

Heidi, the hidden disabilities sunflower, and The Extra Mile

ALPI, in collaboration with other central Jutland companies as well as Ikast-Brande and Herning Municipalities, is part of the project called The Extra Mile. The aim of this project is to engage people on the fringes of the labor market in sustainable employment through new municipal collaboration models.

Heidi began working with us in the canteen in Herning in August 2023. Heidi has invisible disabilities - ADHD and dyslexia. She is now 30 years old and has been part of the psychiatric system since the second grade. Her ADHD causes restlessness in her mind and body. It leads to racing thoughts, concentration difficulties, and contributes to very poor sleep. These conditions, along with dyslexia, meant she had a difficult school experience with academic challenges. Heidi only learned to read when she attended a special boarding school in the ninth grade.

Today, Heidi is permanently employed at ALPI in a flex-job. A weighted blanket ensures she sleeps well. And great colleagues in the canteen and cleaning ensure she has good workdays.

Heidi shares: "There is room to be myself at ALPI and it matters to be part of a team where we share the tasks. My colleagues do a lot to ensure I am well – it means everything."

Heidi has not had a sick day since starting at ALPI and wears the sunflower lanyard with a smile.

The sunflower lanyard allows people to make invisible disabilities visible and helps others to understand and show consideration.



Capacity for Inclusion

There is an increasing need for Danish companies to accommodate various types of people who have limitations in their work capacity.

ALPI and Herning Municipality have worked through a series of meetings on ALPI's capacity for inclusion and the municipality's role in clearing obstacles so that companies and citizens from the fringes of the labor market can be matched and employees can succeed in being included and retained in employment. Herning Municipality provides a contact person who acts as the company's system guide towards the municipality to facilitate cooperation. Together, they identify tasks that can be performed by unskilled labor with considerations for disabilities. When all parties go the extra mile together, much can succeed.

Capacity for inclusion denotes the practical and social capacity of a company to include individuals with limited work capacity in employments that are sustainable in the individual's life context and sustainable for the company's business and social reality.

Herning Municipality has indicated that ALPI has been selected for The Extra Mile method development work as the company has previously demonstrated interest, ability, and willingness to think and act socially.

Well-being - When Life Challenges

It is a well-known and documented fact that employee well-being and job satisfaction contribute to reducing absenteeism and enhancing performance and efficiency.

So, what does our company do when more and more individuals face increasingly diverse challenges in life?

At ALPI, in 2023, we established a partnership with a skilled external partner focusing on individual mental health, work-related challenges, personal life, and family well-being. This initiative is a preventive effort that supports employees and their families in managing life's challenges at work, personally, and at home. The well-being program is available to all employees at ALPI.

Individuals and families receive an overview of their well-being situation, focused conversational interventions, and tools for action. The well-being initiative is, of course, entirely anonymous concerning ALPI.

Our experience shows that prompt action at the first signs of distress can make a significant difference – and by addressing issues early in their development, everyone benefits.

Additionally, we have introduced well-being measurements at ALPI, conducted annually. The aim is to illuminate the well-being of our employees. The responses are crucial as they help identify areas where we can initiate actions to ensure and enhance employee well-being. They also provide a temperature check on the engagement and motivation of ALPI employees, which is critical for our performance.



It is our experience that prompt action at the first signs of distress can make a big difference

Birgitte Elbrønd Dalager, HR Manager

Results of the 2023 well-being measurements at ALPI:

- A response rate of 92%
- An average score of 5,7 on a scale from 1 to 7

Based on these measurements, we have implemented general initiatives across ALPI as a whole, but just as importantly, we have identified focus areas for well-being relevant to each department. All employees are informed about ALPI's overall results and initiatives during quarterly meetings and about department-specific results and initiatives during department meetings.

The State Institute for Public Health at the University of Southern Denmark reported in 2023 on "Developments in the incidence of mental health among the working population in Denmark" that the prevalence of self-reported mental health symptoms is widespread among working Danes aged 18-75 years. In 2021, a third reported depressive and anxiety symptoms, and nearly 50% reported sleep disturbances.

The report also notes that from 2013 to 2021, there was an increase in the proportion of working Danes reporting mental health symptoms. The prevalence of self-reported mental health symptoms is highest among employees without a fixed workplace, and more women than men report mental health symptoms.

Thus, we have a task in the business world. We have a responsibility to understand social sustainability and recognize well-being and distress as a critical parameter in striving for a more sustainable future and a future-proof ALPI.

At the beginning of 2023, life became particularly challenging for the spouse of an employee at ALPI. The ALPIst's husband was off work due to stress and depression from his workplace. This greatly affected the entire family. Through ALPI's support program for private challenges, the couple received counseling sessions with a psychotherapist. Together, they reviewed the entire family situation regarding relationships, family, finances, work, and similar areas to assess the overall picture and situation.

The ALPIst shares that from the first contact with the external partner to the initial consultation with the psychotherapist, it only took six days. The first session lasted four hours and took place in their home. - The swift action and the calm process were crucial in making them feel taken seriously. "We felt seen and recognized, which was absolutely vital," she explains. During the conversations, the couple discussed and illuminated how the family functions when one is suffering from stress and depression. How can we best support each other? How can we assist our children? They received, both together and individually, tools to manage and understand the situation.

The ALPIst is certain that the process has been instrumental in ensuring she didn't break down along the way. She was able to continue working effectively. - The focus throughout the process was on ensuring that I too could function. Not least, the process contributed significantly in supporting her husband. He is now back to working full time. ALPI's view of us as employees – as whole beings – where one pays for and facilitates assistance with private challenges, has made a significant difference for me and my family, concludes the ALPIst.

Insight into the Future – ALPI Academy

Securing the future and developing ALPI requires expertise and proficiency in every corner of the company - and that demands new competencies and a sense for the future. Competence development has been a strategic focus in 2023. We need to ensure that we have the skills and people who can oversee a collective development of ALPI. We must increasingly collaborate across disciplines and traffic types about new solutions.

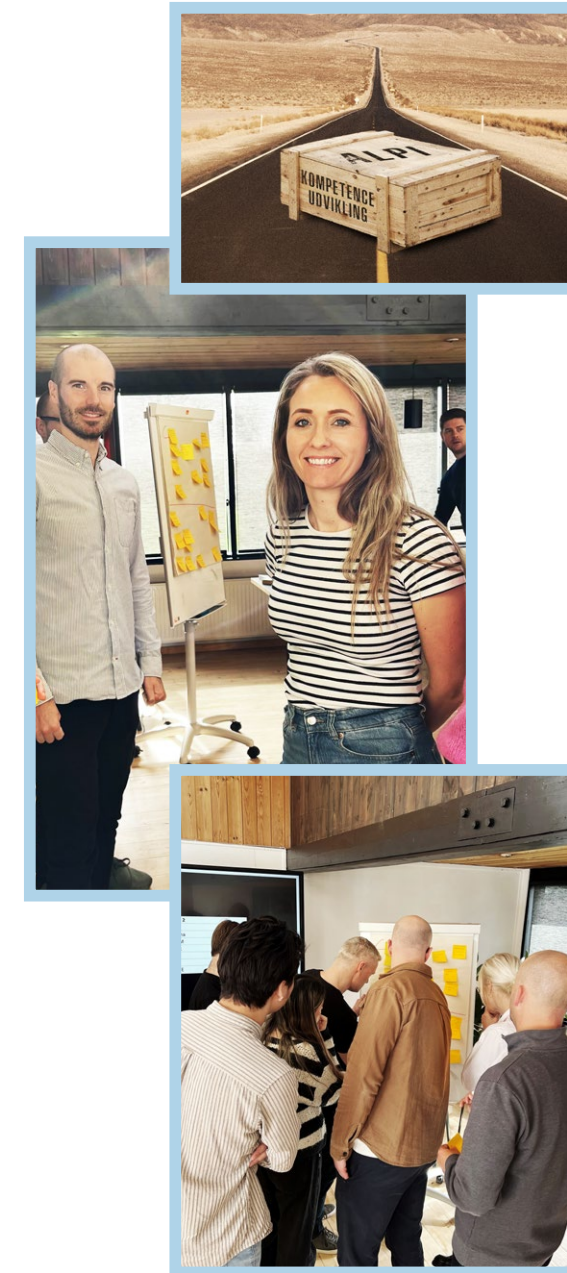
This is why we have established the ALPI Academy. A team of ALPIsters has completed the academy course “Practical Leadership”. The education adds new competencies and develops the leaders and specialists of the future.

In the course, participants worked with ALPI-related issues which contribute to an increased strategic and commercial understanding of ALPI's business areas - just as personal development and leadership skills are strengthened.

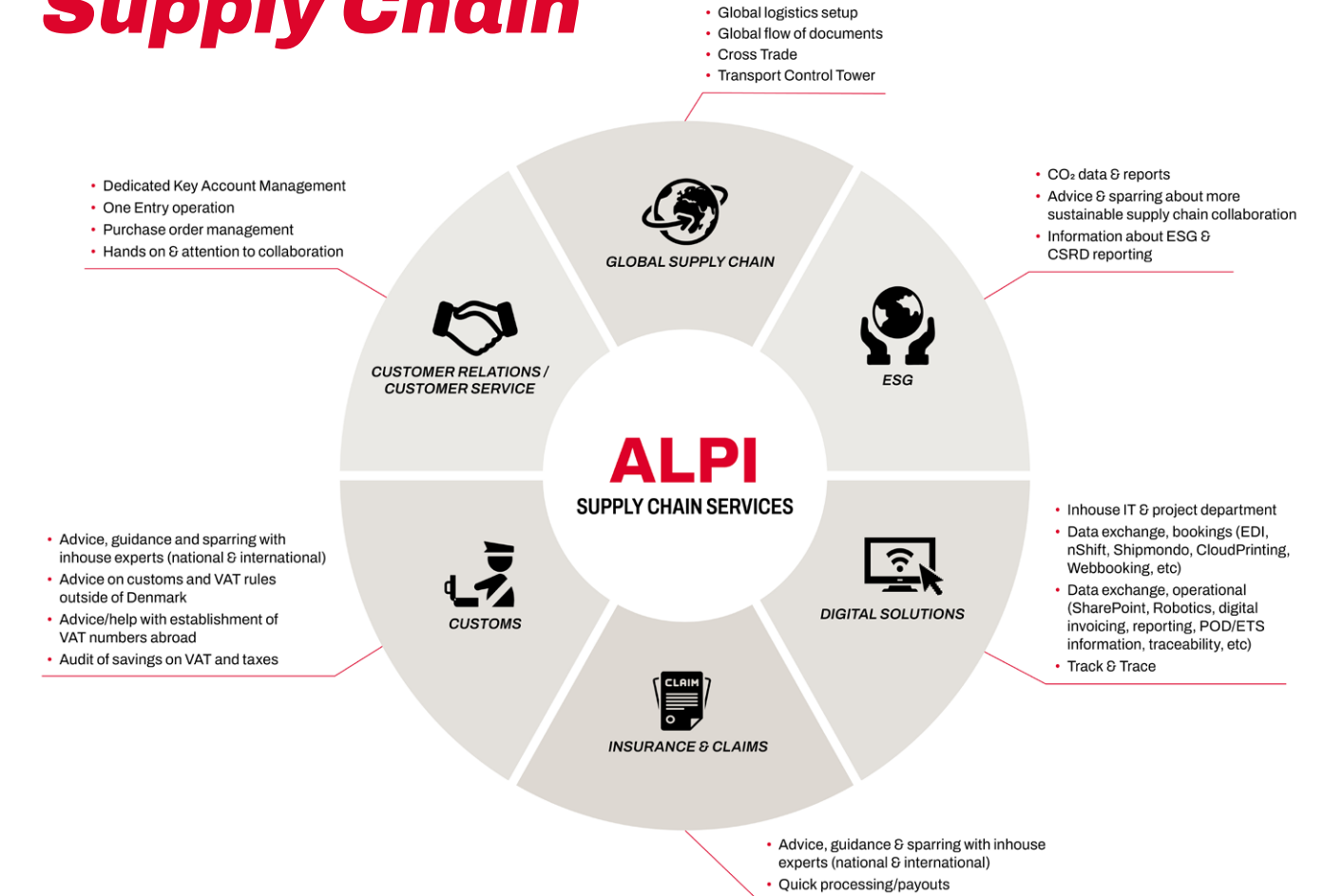
We can no longer be trained in one thing and work in that capacity for our entire working life. Development is rapid, and we must all continuously learn a variety of new things. Studies in the transportation industry show that 50% of all employees need to acquire new competencies in their jobs within a short number of years. Thus, a key element in the transport industry involves shifting conventional mindsets to business and logistics strategies that can meet what supply chains and customers globally demand going forward. We live in an incredibly changeable world where we need to react to global megatrends - and we must react quickly. In 2023, 14,7% of ALPI employees participated in further education, in addition to various courses.

We increasingly need competencies other than traditional forwarding education. This is not traditionally common in our industry, but academic and humanistic skills bring new and necessary development opportunities.

Supply Chain transport and logistics are becoming increasingly complex. It's about more than just the transportation. It involves more than just moving goods and products from A to B. We focus heavily on the know-how, knowledge, and the services necessary for a well-secured future collaboration.



Supply Chain



Considerations on Decency

We run our business based on strategies, goals, competencies, legal requirements, and much more - but the foundation and basis are decency, consideration, and the ability to adapt. These values have framed ALPI Group since its establishment in 1945.

2023 has been another year marked by uncertainty, and 2024 has started on the same track.

But does this mean that we as a company can pause our decency? Should we compromise on honest business conduct and business practices when there is geopolitical turmoil and earnings are under pressure?

We choose to say no. We must generate a profit every year - but always with consideration and in the long term. Therefore, we also welcome a focus on responsible leadership in a broad format. Good corporate governance also involves non-financial goals.

It is our choice to opt out of rail transport from China to Europe through Russia. It is our choice to refrain from transporting to and from Russia. It is our choice not to transport war materials or components thereof. We are also particularly attentive to products with dual use/dual purpose in accordance with international regulations issued by customs authorities and in compliance with security certifications.

It is our task and responsibility to create transparency and awareness throughout the value chain of ALPI's expectations and requirements for cooperation. Only in this way can we ensure that laws, human rights, etc., are adhered to.

A globally interconnected collaboration challenges us in upholding ALPI's Code of Conduct. But we work tirelessly to create the necessary insight and development together with our colleagues around the world - on a foundation of decency.

”

Should we take a break from decency when there's geopolitical turmoil and profits are under pressure?

Mette E. Thygesen, Brand Manager



Short excerpts from the ALPI CSR policy

ALPI has developed a comprehensive CSR policy to ensure all employees work within the same guidelines. Here are some excerpts from the policy.

Equal opportunities

We want a diverse workplace and will work to increase the number of women in leadership positions. All employees should have equal opportunities based on skills, experience and performance.

Conditions of employment

ALPI complies with all laws, agreements and industry standards regarding working hours and compensation. We respect recognised trade unions and the right of employees to join a union of their choice.

Anti-corruption

ALPI will neither participate in nor support any corrupt practices. We have an internal whistleblower scheme that protects employees who come forward with information about wrongdoing in relation to our business.

Diversity

We recognise each other's differences and skills and believe that diversity provides dynamism and space for the development of ALPIsters and ALPI. Bullying is not tolerated.

Child labour

Child labour is not tolerated.

Human rights

ALPI supports and respects internationally recognised human rights; civil, political, economic, social and cultural rights.

Local community

ALPI contributes to the community. We support elite and grassroots sports, as well as social and charitable organisations and associations.

Working environment

We focus on creating a good and healthy working environment. We offer a range of benefits at work, including healthy food in the canteen and the opportunity for massages during working hours. Employees are covered by private health insurance through the pension plan.

Environmental impacts

We have set an ambitious sustainability strategy up to 2030. At our sites, we work to minimise waste, reduce energy and water consumption, and offset the CO₂ emissions we can't avoid.

Discrimination, coercion and harassment

All employees must be treated with respect. Discrimination, physical or verbal harassment and unlawful threats will not be tolerated. Any form of corporal punishment, as well as mental and physical coercion, is prohibited at ALPI

CO₂ emissions

We have entered into a partnership with an international partner, GreenRouter, to ensure a certified and compatible tool for both our customers' and our own CO₂ data.

The new calculator, which builds on a previous version, and which we will fully implement in 2024, is based on GLEC 3 and is ISO14083 compatible. We have therefore recalculated our emission figures for 2020 - 2023. Additionally, we are actively seeking to establish partnerships to reduce the climate footprint of the transportations we manage.

Organisation and management

ALPI works with a dynamic business strategy that ensures a clear long-term goal for the company and is flexible enough to respond to changing market and social conditions. Each year, we adopt the strategic focus points for the next year, including through the involvement of the entire leadership team.

We have defined ESG/CSR as a cross-cutting strategic action area that underpins how we want to do business. ALPI has a separate ESG/CSR department, that develops and drives the strategy, initiatives and projects.

The strategic approach can be illustrated as follows:

Strategic focus points

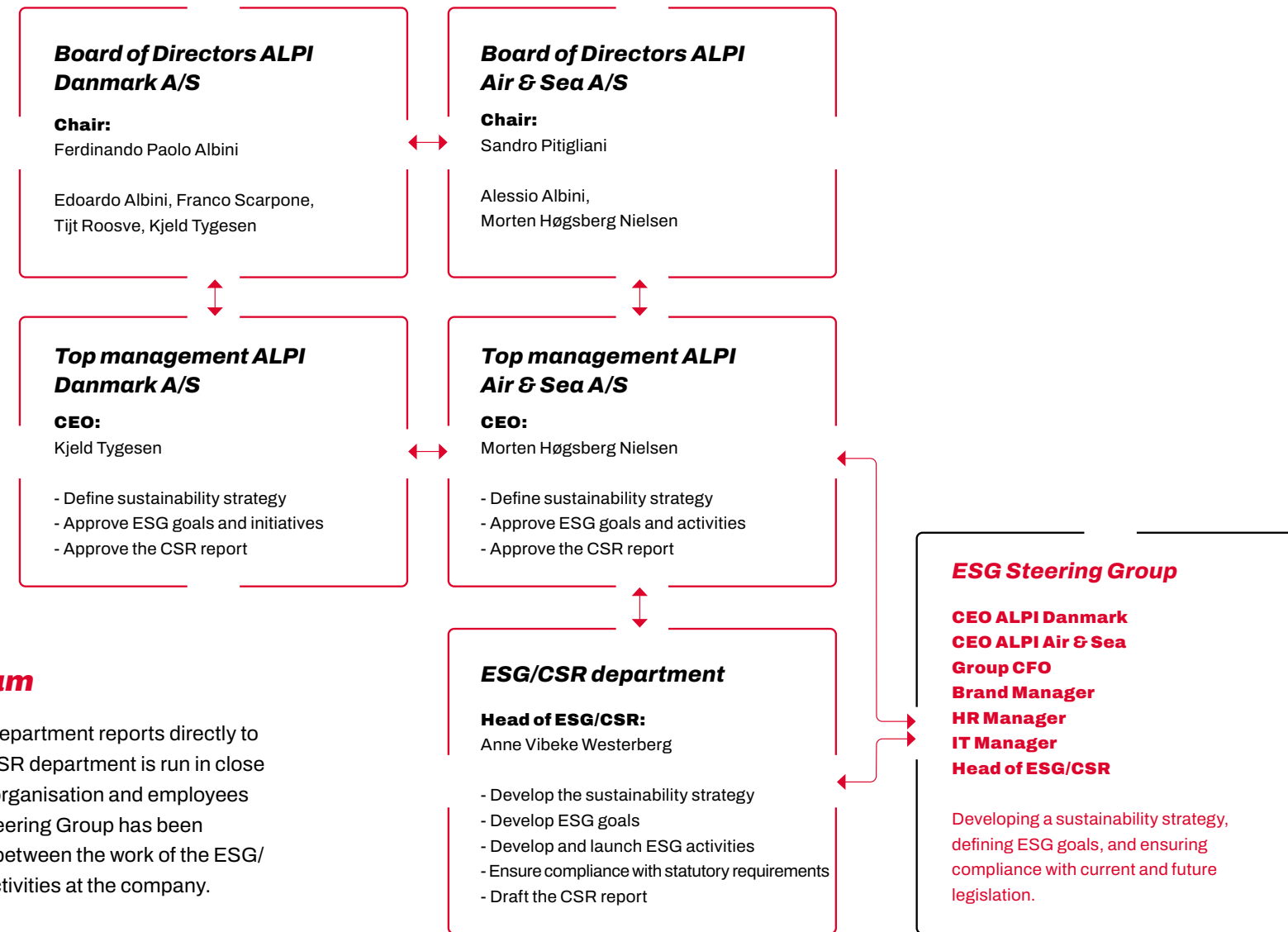
Internal focus points

ALPI
Danmark
focus

Commercial
focus

ALPI
Air & Sea
focus

ESG and the ALPI Go Green strategy



Organisation diagram

Organisationally, the ESG/CSR department reports directly to the Executive Board. The ESG/CSR department is run in close collaboration with the rest of the organisation and employees from all departments. An ESG Steering Group has been established to ensure anchoring between the work of the ESG/CSR department and the other activities at the company.

Common ground is made visible through common policies

In ALPI we have policies that outline ALPI's core values, rules and guidelines for responsible business conduct. These include, among others:

- Supplier Code of Conduct
- CSR policy
- Whistleblowing policy
- Data ethics policy and GDPR
- Policy for women in management

The CSR policy, which applies to all ALPI employees, aims to ensure that our business model, products and services contribute to a more sustainable future. We comply with all international and national laws, as well as international conventions, including the Convention on Human Rights. In the CSR policy, we outline the rules on human rights, working conditions, the environment and anti-corruption, among other things. All employees have been introduced to the CSR policy. See an excerpt from the policy on [page 26](#).

The policy on women in management mentions guidelines to promote the number of female managers. We always recruit the best candidate regardless of gender, race, religion, disability, etc. However, the policy will ensure that we prioritise interviewing female candidates and appoint the woman if the choice is between a man and a woman who are equally qualified. Over time, the policy should help us achieve a more equal distribution of female and male managers.

The Data Ethics policy and GDPR ensure that our data processing is always done with respect for the interests of our partners and under the protection of personal data and privacy.

ALPI has an internal whistleblower scheme, that came into effect in 2023. The policy has been introduced to all employees.

The written policies describe the conduct ALPI has always promoted and practised. The policies make the common codes of conduct more visible and easier for employees to relate to.

Tighter supplier management in the future

ALPI has always valued creating good and long-lasting relationships with our suppliers. They are important partners and crucial to our ability to deliver high-quality service to our customers. We continuously update our Code of Conduct, that outlines the most important requirements about legislation, human rights, working environment, environment and anti-corruption.

We will be conducting a major mapping and risk analysis of the value chain, including the most strategically important suppliers. In the future, we will tighten requirements for suppliers and create further transparency in the value chain.

At the same time, we will be preparing to comply with the requirements of the EU's Corporate Social Due Diligence Directive (CSDDD), which is expected to enter into force for ALPI in 2027. The purpose of the CSDDD is to ensure that companies remedy any negative impacts from their business activities in the value chain.

Risks and opportunities

Every company affects its environment in different ways. Although the company contributes positively to society by creating jobs, economic prosperity and meeting the demand for a service or product, there are also negative impacts, for example, the environmental impact of the company's operations.

To ensure that we can prevent and reduce risks from ALPI's activities, we have conducted a comprehensive risk analysis to identify potential risks. As we are committed to business development, the purpose of the analysis is also to examine whether we can turn identified risks into opportunities in the future. The process of working with risks and opportunities is also an important element of the CSRD-reporting, that ALPI will be included in by 2025.

Environment

CO₂ emissions

The transport sector accounts for around 30% of total CO₂ emissions in the EU. As a transport company, we have a large part of the responsibility. Our total CO₂ emissions from transport amount to around 45,513 tonnes of CO₂ annually.

As we do not own the means of transport, reducing emissions requires close dialogue and collaboration with hauliers, shipping companies and airlines. At the same time, we depend on infrastructure development and the development of more sustainable fuels before a real transformation of the transport sector becomes possible.

Actions

2023

- Upgrade to the ALPI CO₂ calculator version 2 secures that our emission data is more precise and comprehensive.
- Pilot project with two international routes with LNG trucks concluded and evaluated.
- We have out phased CO₂ compensation as it is categorized as offsetting.

2024

- Mapping of greener solutions in the transport sector continues.
- Green partnerships continues.

Energy consumption

With five sites, we use a lot of energy for lighting and heating the buildings. We want to reduce that consumption.

Actions

2023

- We buy green power equivalent to our electricity consumption at all sites
- We have installed sensors in strategic locations to ensure that the light turns off automatically.

2024

- Solar panels are being installed at head office in Herning so we have the opportunity to become self-sufficient in renewable energy.
- We continue the efforts to switching to LED lighting where possible.

Employees and working conditions

Heavy lifting

Heavy lifting is a general problem in the transport sector. ALPI is no exception. There are many daily lifts at our terminals and warehouses.

At the same time, the trucks we have to empty are not always packed in an appropriate way. When this happens, employees have to manually lift heavy or unwieldy boxes out of the trucks when emptying.

It's hard physical work. We want to find solutions to this.

Actions

2023

- Ergonomic advice to individual employees on lifting
- Offer of massages during working hours to prevent fatigue and injuries
- Telescopic band to help with heavy lifting purchased and phased in.

2024

- Continued dialogue with collaboration partners to ensure, that trucks are packed appropriately
- Ergonomic advice to individual employees on lifting continues
- Offer of massages during working hours to prevent fatigue and injuries continues

Safety



In our terminals and warehouses there is a lot of activity with forklifts and electric pallet lifters. This requires vigilance among employees and a high level of awareness to comply with the safety instructions. A risk has been identified that occurs a few times a year, where the floor becomes slippery in some places in the terminal during large temperature changes. This can create dangerous situations that we must do everything we can to avoid.

Actions

2023

- Reminder about security rules on intranet.
- Larger mirrors installed that increases the security in connection with moving traffic.
- The efforts to map the reason for slippery floors concluded and action plan implemented.

2024

- Requirement to use Hi Vis vests for everyone, who moves about in the terminals and warehouses will be maintained.



Stress and well-being

The transport industry is experiencing large global and local changes at this time. To navigate these changes and make decisions fast puts large requirements to ALPI employees which is why we are extraordinarily attentive to stress and well-being.

High levels of busyness and a reduced sense of community can increase the risk of stress and poor well-being, which is why we make every effort to accommodate this

Actions

2023

- Strong focus on trainee intake to increased resources
- Increased possibility to work from home to create better work-life balance.
- Two yearly social events
- Establishment of internal cross-organisational project groups to secure knowledge sharing and one ALPI
- Well-being survey conducted in March 2023 followed up by specific actions in departments
- Competence development of employees across departments and functions to secure collective development of ALPI.

2024

- The efforts with mapping of competencies, identification of gaps and elimination of gaps.
- Competence development of employees across departments and functions to secure collective development of ALPI continues.
- Strong focus on trainee intake to increased resources continues.
- Increased possibility to work from home to create better work-life balance continues.
- Two yearly social events continues
- Yearly well-being surveys will be conducted

Human rights

Women in management

There is a shortage of female freight forwarders and this is having a knock-on effect on the number of female managers in the industry. We see the same trend at ALPI. 14% of managers are women. There are no women on the ALPI Board.

Lack of diversity in management can lead to gender inequality, which is why we are working to change the situation through a number of specific actions.

Actions

2023

- Policy on women in management adopted.
- Goals adopted to ensure women on the board.
- Targets adopted to ensure more female managers.
- Focus on identifying and supporting internal female talent. In 2023 two female team leaders have been appointed.
- Focus on taking on more female freight forwarder trainees.

2024

- Focus on taking on more female freight forwarder trainees continues.
- Focus on female applicants for management positions continues.

Working conditions in the value chain

ALPI has no direct influence on these matters, as the employees in the value chain are employed by our suppliers.

We want to ensure that employees in the value chain are treated properly and respectfully.

Actions

2023

- At ALPI terminals there is access to driver's cabins with, among other things, toilet and shower facilities.
- The Code of Conduct has been sent to a number of supplier and worked into supplier dialogues.

2024

- Execution of a larger mapping and risk assessment of the value chain including the most important strategic collaboration partners and suppliers.

Anti-corruption

Bribery and use of "greasing"

We are not aware of bribery in our value chain, where all transport is carried out by external suppliers.

There may be a risk that some will pay greasing to get goods through customs/cross borders in countries where greasing is widespread.

We have had no known cases of greasing in the value chain, but we are aware of the risk and want to prevent it.

Actions

2023

- The Code of Conduct clearly prohibits corruption and bribery, including greasing.
- Internal whistleblower scheme to be launched allowing employees to report suspected corruption.
- Decision to strengthen supplier management going forward with a more stringent Code of Conduct and possible self-evaluation.

2024

- Conduction of a larger mapping and risk analysis of the value chain including the strategically important collaboration partners and suppliers.

ESG-Data

Environmental data

Energy	Unit	2023 ^a	2022	2021	2020
Electricity	kWh	518.338	628.288	606.139	497.030
Renewable energy	kWh	518.338	626.786	592.071	0
Natural gas	m ³	7.492	8.228	13.017	28.169
Oil	Liter	15.478	38.548	56.339	53.674
District heating	kWh	459.600	391.602	494.098	397.043

Water	Unit	2023	2022	2021	2020
Water consumption	m ³	2.861	3.613	3.333 ^c	2.317
Waste water	m ³	2.861	3.613	3.333 ^d	2.317 ^d

Waste	Unit	2023	2022	2021	2020
Recycling	Kg	79.653	82.436	93.600	172.650
Food waste recycled	Kg	2.366	6.063	3.680	0
Incineration	Kg	53.614	74.889	57.050	44.180
Landfill	Kg	0	0	0	0
Hazardous waste	Kg	0	0	0	242
Percentage of waste recycled	%	60	54	63	76

CO ₂ emissions	Unit	2023	2022	2021	2020
Scope 1	Kg CO ₂	212.177	300.564	325.618	355.282
Scope 2	Kg CO ₂	27.265	20.630	29.097	80.131
Scope 3 ^b	Kg CO ₂	45.513.135	46.914.671	50.397.961	45.100.946

a) The Roskilde location is included for 5 months in 2023, as the activity was divested as of June 1, 2023.

b) With the upgrade to ALPI's CO₂ calculator version 2, the CO₂ emissions for scope 3 for the years 2022 – 2022 have been recalculated based on the GLEC 3 framework and the ISO14083 standard. See [Appendix 1](#) Accounting Practices for ESG Data for an overview of the difference between previously reported data and the new recalculated data.

Social data

Employees	Enhed	2023	2022	2021	2020
Men	FTE	144	158	143	140
Women	FTE	85	87	87	84
Salaried employees	FTE	192	198	200	184
Hourly-paid employees	FTE	37	47	30	40
Employee turnover salaried employees	%	16	15	19	11
Employee turnover hourly-paid employees ^c	%	46	24	67	78

Female managers	Enhed	2023	2022	2021	2020
Women on the Board	%	0	0	0	0
Female managers	%	14	18	23	10
Women at ALPI	%	37	36	38	38

Sickness, absence and occupational accidents	Enhed	2023	2022	2021	2020
Sickness absence ^d	Days/FTE	7,7	6,8	5,9	4,2
Occupational accidents with at least 1 day's absence	Number of accidents	1	1	1	0

Governance data

Reported cases	Unit	2023	2022	2021	2020
Discrimination	Number	0	0	0	0
Child labour	Number	0	0	0	0
Forced labour	Number	0	0	0	0
Human trafficking	Number	0	0	0	0
Corruption	Number	0	0	0	0
Offences	Number	0	0	0	0

c) The change in employee turnover is due to the divestiture of the logistics department in Roskilde. Employee turnover, adjusted for the divestiture, is 16% for hourly employees.

d) Sick leave per full-time employee is higher than our target, which is why it will be a focus area in 2024 with the implementation of a sick leave policy and more detailed follow-up on sick leave.

About the report

This CSR report is the first step towards meeting the legal requirements in CSRD, which we will be subject from the financial year 2025. The report covers the financial year 1 January to 31 December 2023 and includes the Danish part of the international Albini & Pitigliani Group. The Danish group comprises two independent companies: ALPI Danmark A/S and ALPI Air & Sea A/S.

ALPI Danmark owns 57% of the Norwegian subsidiary ALPI Norway, and ALPI Air & Sea owns 51% of the Chinese subsidiary ALPI China. These two subsidiaries are not included in the report as we do not yet have data collection systems in place for the two companies.

The Danish group is referred to in the report under the collective name ALPI. ALPI has offices, terminals and warehouses in Herning, Kolding, Padborg, Odense and Karlslunde. The CSR report contains data from all five sites.

The report contains the statutory statement of corporate responsibility in accordance with Section 99a of the Danish Financial Statements Act, and audit firm PWC has verified compliance with this.

The report does not contain the legally required statement on the underrepresented gender in accordance with Section 99b of the Danish Financial Statements Act. This can instead be found on ALPI's website.

Third parties have not verified the figures in the CSR report, and we take the trouble to find the right data and verify it internally. Appendix 1 describes the accounting practices for the consumption figures and the CO₂ accounts in the ESG data section. The basis of calculation or sources are given in the footnotes for the other figures in the report.

Questions about the CSR report should be addressed to:
Head of ESG/CSR Anne Vibeke Westerberg: avi@alpi.dk

Appendix 1: Accounting practices for ESG data

The following pages describe the accounting practices underlying the data and CO₂ emissions reported on [pages 34-35](#) of the report. All figures are quality checked and validated by designated key personnel in the finance department. Some figures are based on estimates as we do not have fully available data for these. It is directly stated under each table on [pages 34-35](#), if there are special conditions associated with a figure.

Mid-2023, ALPI Denmark acquired all shares in Spedition Christensen International Transporters A/S. For comparability with previous years, it has been decided that ESG data from this acquired activity will only be included in 2024.

In May 2023, ALPI Denmark divested its warehousing and logistics activities in Roskilde. ESG data from this location is included up to this point.

Consumption Data

Energy:

Total consumption of electricity, district heating, natural gas, and oil in buildings owned or leased by ALPI.

Water:

Total consumption of water and wastewater in buildings owned or leased by ALPI. Water consumption and wastewater are currently reported as the same figure since we do not have data on the difference.

Waste:

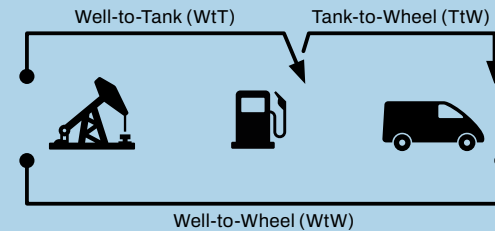
Total amount of waste sent to waste management from buildings owned or leased by ALPI, divided into recycling, food waste, incineration, landfill, and hazardous waste.

CO₂ emissions

The calculation of CO₂ emissions is based on the Greenhouse Gas Protocol. Additionally, various data sources are incorporated that allow us to convert our energy consumption and use of fossil fuels into CO₂ emissions. Where CO₂e data are available, these data are prioritized over CO₂ data as it provides a more comprehensive insight.

ALPI upgraded its CO₂ calculator and thus the method of calculation for CO₂ emissions associated with transportation tasks (Scope 3). For 2023, algorithms and calculation models provided by ALPI's CO₂ calculator version 2 were used. A recalculation of transportation in 2020, 2021, and 2022 has been carried out based on the GLEC3 framework and ISO14083 standard, which has resulted in changed Scope 3 CO₂ emission figures for these years. The GLEC3 framework generally uses higher emission factors, hence our CO₂ emissions have increased. Our CO₂ emissions have also increased as we have simultaneously chosen to change the way we report CO₂ emissions from Tank-to-Wheel (TtW) to Well-to-Wheel (WtW) to provide a more accurate picture of CO₂ emissions across the transportation sector's value chain. Below is the effect of the recalculation of our CO₂ emissions and a figure illustrating the CO₂ data assessments in the transportation sector.

	2022	2021	2020
Scope	Scope 3	Scope 3	Scope 3
Unit	Kg CO ₂	Kg CO ₂	Kg CO ₂
Earlier reported CO ₂ emissions (TtW)	35.286.694	34.187.675	33.010.424
Recalculated CO ₂ emissions (WtW)	46.914.671	50.397.961	45.101.946
Change	11.627.977	16.210.286	12.091.522



Scope 1: Direct CO₂ emissions:

Scope 1 includes CO₂ emissions that stem directly from sources owned or controlled by ALPI. This includes fuel consumption for company cars and trucks, as well as the consumption of oil and natural gas for heating buildings.

Scope 2: Indirect CO₂ emissions:

Scope 2 includes indirect CO₂ emissions that stem from purchased electricity and district heating in buildings owned or leased by ALPI. We invest in green power equivalent to our annual electricity consumption. We deduct this from our climate accounting in accordance with the provisions of the Greenhouse Gas Protocol.

Scope 3: Other Indirect CO₂ emissions:

Scope 3 includes other indirect CO₂ emissions that can be linked to the business. In total, there are 15 categories of indirect CO₂ emissions under scope 3, of which only relevant categories are included. At ALPI, we have initially chosen

to focus on category 1: "Purchased Goods and Services," which contains all the CO₂ emissions from the transportation we sell to our customers. This category covers 99% of our emissions in scope 3. Emissions from scope 3, category 1 are calculated using data from ALPI's internal systems, processed by ALPI's CO₂ calculator version 2. Moving forward, we expect to include more categories in the accounting.

Road Transport:

Road transport is calculated based on data from ALPI's internal systems and processed by ALPI's CO₂ calculator version 2. The calculations follow the GLEC 3 framework and ISO14083 standard. The upgrade of the CO₂ calculator has opened up for rail operations to be separated from road transport. Emissions from courier activities are currently limited due to lack of data. Emissions from road transport are accounted for in CO₂e Well-to-Wheel (WTW).

Air Freight:

Air freight is calculated based on data from ALPI's internal systems and processed by ALPI's CO₂ calculator version 2. The calculations follow the CLEC 3 framework and ISO14083 standard. The figures include parameters such as aircraft type, freight distance, and terminal activities. Emissions from air freight are accounted for in CO₂e Well-to-Wheel (WTW).

Sea Freight:

Sea freight is calculated based on data from ALPI's internal systems and processed by ALPI's CO₂ calculator version 2. The calculations follow the CLEC 3 framework and ISO14083 standard. The numbers are enriched with data from the specific vessel through the Maritime Identification System (IMO). Emissions from sea freight are accounted for in CO₂e Well-to-Wheel (WTW).

Employee Data

Employees: Number of full-time employees at the end of the year. Temporary workers from external agencies are not included in the assessment.

White-collar workers: Employees who primarily work in an office with forwarding, sales, business development, and administrative tasks.

Hourly workers: Employees who primarily work in warehouses and terminals with unloading and loading of trucks and picking of goods for shipment.

Employee turnover: The number of employees who have left ALPI during the year, divided by white-collar and hourly workers. The figure includes both natural departures and departures for other reasons.

Female leaders: The number of female leaders compared to the number of male leaders at both board level and other management levels. Also included is the number of women in ALPI in general compared to the number of men. The number is calculated as leaders with personnel responsibility and direct reference to top management.

Sick leave: Average sick leave per full-time employee.

Work-related accidents with absence: Number of reported work-related accidents with at least one day's absence.

Governance Data

Reported cases: Number of officially reported cases of child labor, forced labor, human trafficking, corruption, and other legal violations.

