

# Corporate Social Responsibility report

Published May

# 2022

Based on data from 2021

**Frode  
LAURSEN**

A man with a beard and glasses, wearing a dark suit jacket over a light-colored striped shirt, stands on a metal staircase. He is looking upwards and to the right. The background shows the complex steel framework of a modern building under construction or renovation, with large windows visible on the right side. The lighting is bright, suggesting an outdoor or well-lit indoor environment.

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# Collaboration and focus on growth

Welcome to Frode Laursen's<sup>1)</sup> Corporate Social Responsibility (CSR) report for 2021. The report<sup>2)</sup> describes Frode Laursen's activities regarding our corporate social responsibility and our initiatives to become a more sustainable business. It is a long and challenging journey, but we definitely feel that we are heading in the right direction.

Responsibility has always been a big part of who we are at Frode Laursen, but there is no doubt that we have been focusing even more in recent years on sustainability and social responsibility. Therefore, in 2021 we decided to revise our mission so that it better reflects this focus on CSR. Today, our mission therefore reads:

*With our logistics centres playing a key role, Frode Laursen ensures the responsible transport of goods from source to consumer based on efficient processes, in-depth knowledge and a passion for logistics.*

And we mean what we say. In 2021, we reduced our CO<sub>2</sub> emissions significantly, cutting emissions from our transport activities by 8% and reducing the carbon footprint of our buildings by 48%. Altogether, this represents a 9% reduction relative to our aim of a 35% reduction by 2030. We are very proud and pleased with this result.

The reduction in CO<sub>2</sub> emissions from our transport activities is primarily due to our use of alternative green fuels, which took a significant hop upwards in 2021. Almost 16% of the kilometres we drove were thus 'green' kilometres – i.e. transport based on alternative fuels such as hydrotreated vegetable oil (HVO), liquefied

biogas (LBG), liquefied natural gas (LNG) and compressed biogas (CBG). This is triple the number of green kilometres driven in 2020. The sharp increase is largely due to our own HVO quota concept where, via a quota scheme, we can guarantee our customers individually calculated greener transport.

Our quota scheme is one example of how Frode Laursen and our customers and suppliers are taking a more alternative approach to find more sustainable solutions. From our point of view, collaboration is at the crux of this green transformation – not just in terms of coming up with new ideas, but also when implementing the solutions.

We are all waiting for Power-to-X and electric trucks, but it will take some years before these technologies can be implemented on a scale that also covers heavy transport. The technology is being quickly matured, but installing the necessary infrastructure and capacity will take much longer. In the meantime, we have decided to invest in other alternative fuels. Thus, we can already offer our customers a substantial reduction in their carbon footprint – even if the technological development and political framework conditions can be a challenge.

In 2021, we also made significant strides at implementing sustainable solutions at our logistics centres. Even though transport is undoubtedly the primary source of our CO<sub>2</sub> emissions, we think it is important to consider sustainability throughout the company. In 2021, we therefore switched to green power at all our locations, which has resulted in reducing the carbon

footprint of our buildings by an impressive 48%.

At the same time, we completed the construction of our first logistics centre that is built completely in line with our Green Warehouse Vision, which focuses on ensuring that construction and operation are as sustainable as possible.

All in all, we can conclude that we are well on the way to achieving our target of a 35% reduction in our carbon footprint by 2030.

In terms of our other focus area – our employees and our social responsibility locally – I am happy to say that in spite of corona, we have managed to maintain the many local initiatives aimed at easing disadvantaged citizens into the labour market. Much of our focus here is on close collaboration with the nearby municipalities and local organisations. And it makes me very happy every time I see that we have helped a person on the edge of the labour market into a stable job with meaningful tasks and good colleagues.

At the same time, our work targeting diversity and the working environment is producing results; for example, the proportion of female managers has increased by 5%. It goes without saying, however, that our ambition is to do more within these areas in the coming years. Because, as one of our core values states: We strive to improve. Which sums up our approach to all the challenges we encounter in our daily working lives – also within CSR.

*Vitten, May 2022 – Thomas Corneliussen, CEO*

1) Frode Laursen covers TA-Logistics A/S and subsidiaries with operational links to Frode Laursen A/S.

2) This CSR report constitutes the statutory statement cf. the Financial Statements Act §99a and §99b for TA-Logistics A/S and Frode Laursen A/S.

**16%**

*Of transport based on  
alternative fuels*

**1<sup>st</sup>**

*Logistics centre established according  
to **Green Warehouse Vision***



**-48%**

*CO<sub>2</sub> emissions  
at logistics centres*

**37%**

*Women in management*



**100%**

**Green power**  
*at all locations*

**800 m<sup>2</sup>**  
**Solar cell project established**



**-8%**

**CO<sub>2</sub> emissions**  
*from transport*



**95%**

**of waste recycled**



# About Frode Laursen

Frode Laursen is a family-owned group which was founded in 1948. Today, Frode Laursen is market-leading in the Nordics in terms of logistics solutions within FMCGs, building materials and recycling.

We came into being to make our customers' products available to consumers – at the right time, in the right place, in the right condition and in a responsible manner. Our key focus is our unique 3PL solution: From the factory to our logistics centres, and from there to retail warehouses, shops and ultimately the customer's shopping basket.

We operate from our headquarters in Vitten, Denmark, and from our logistics centres, terminals and offices in Denmark, Sweden, Germany, Finland and Poland.



FACTORY



WAREHOUSE & CO-PACK



RETAILERS, DISTRIBUTION CENTRES



STORE ACTIVITIES



Fleet

**700 vehicles**



Employees

**1,754**



Logistics centres

**600,000 m<sup>2</sup>**



# Vision

Within selected sectors,  
Frode Laursen wants to be  
the preferred partner of brand  
owners and their customers as  
the number one logistics partner  
in Northern Europe.





# Mission

With our logistics centres playing a key role, Frode Laursen ensures the responsible transport of goods from source to consumer based on efficient processes, in-depth knowledge and a passion for logistics.



**Frode  
LAURSEN**

[www.frode-laurсен.com](http://www.frode-laurсен.com)

**KRONE**



# Values

Frode Laursen is a value-driven company, and our values must always support our goals, mission and vision. Through working in accordance with our values, we ensure good business practices, efficient working procedures and, not least, a good working environment for our employees.



**We are here for the customer**



**We take responsibility**



**We honour our agreements**



**We always base decisions on facts**



**We strive to improve**



**We treat everybody with respect**



**We use resources wisely**



**We cooperate and pull together as teams**



# CSR in Frode Laursen

CSR in Frode Laursen is all about taking responsibility and using one's common sense. CSR is an integral part of our business, and we want to make a difference.

We have based our approach to CSR on the UN's 17 Sustainable Development Goals, and we have defined the main areas which are most relevant for our activities, and thus the areas where we are able to make the biggest difference.

## Decent jobs for everyone

We believe that everyone who wants to work should be able to do so. We want to offer secure and decent jobs to all our employees. At the same time, we want to make a positive difference in our local communities by recruiting, integrating and retaining employees, including those who would otherwise risk falling out of the job market due to reduced work capacity or other reasons.

We want to conduct our business in an ethical and responsible manner, and it is very important for us that our employees and suppliers share this approach.

## Sustainable logistics

We want to help address the global climate challenge which the world is facing due to excessive CO<sub>2</sub> emissions. We will explore new possibilities in terms of alternative fuels for our trucks and new technologies that can help to minimise our carbon footprint. At the same time, employee behaviour is a key focus area, and we want our transport divisions and our logistics centres to be as efficient as possible in our effort to reduce our carbon footprint.



*We have mapped the risks our business activities entail in order to be able to work as efficiently as possible within these focus areas*

*See next page*

## Identified risks

## Current efforts

### Human rights



- Suppliers not sharing the desired attitude and approach to human rights and working conditions.

- All suppliers must sign up to our Code of Conduct.

### Climate



- The transport industry is one of the industries that emits most CO<sub>2</sub>.
- Establishing and operating logistics centres produces CO<sub>2</sub> emissions.

- The use of alternative, sustainable fuels such as LNG, LBG, CGB and HVO.
- Focus on driving style and fuel consumption.
- Ensuring that Frode Laursen has a state-of-the-art fleet and the latest technology at its disposal.
- Focus on vehicle fill rates.
- Ensuring transparency and thus a constant focus on CO<sub>2</sub> emissions by offering CO<sub>2</sub>-reducing solutions and transparent reporting to our customers.
- Green Fuel Quota Concept.
- Green Warehouse Vision.
- Active participation in the public debate with a view to influencing decision-makers and framework conditions.

### Environment



- Our logistics centres produce large quantities of plastic and cardboard waste which have a negative environmental impact if not recycled.
- Our logistics centres use large quantities of plastic for packaging which has a negative environmental impact and consumption must therefore be reduced to a minimum.
- Truck washing uses large volumes of water. Even though water is not a scarce resource in northern Europe, it makes sense to reduce water consumption in order to reduce the energy which is consumed in making drinking water available to consumers.

- Significant focus on recycling waste from our logistics centres and terminals.
- Focus on minimising the use of plastic for packaging.
- Ongoing establishment of new truck washes that recycle the water.
- Constantly exploring new ways of reducing our environmental impact.

## Identified risks

## Current efforts

### Employees



- The transport and logistics industry often involves hard physical work. Consequently, there is a significant risk of work-related injuries and accidents, particularly among:
  - drivers
  - warehouse employees
  - workshop employees.
- In a large company with many different people, cultures and genders, there is often a risk of misunderstandings and undesirable and abusive behaviour among the workforce.

- Training and educating employees to ensure they know about the equipment and how to act correctly in different work situations.
- Collaboration with national authorities on current challenges faced by particular risk groups.
- Regular meetings held regarding safety and the working environment.
- Structured approach towards evaluating work-related accidents to prevent the same accidents from reoccurring.
- Automation of physically challenging tasks where possible and relevant.
- Policy regarding abusive behaviour.

### Anti-corruption



- Corruption is the abuse of power for private gain. It puts the needs of the individual before the needs of the company, and thus threatens the stability of the business.

- We have established a customer contact model involving three key persons, and which thereby minimises the risk of corruption.
- We have a strong focus in-house on our values to reduce the risk of corruption. At the same time, our Code of Conduct states unequivocally that we do not accept any form of corruption or bribery.
- Establishment of a whistleblower scheme throughout Frode Laursen.

COOL WITH NO FUEL



GAS POWERED  
Reduced CO<sub>2</sub> emissions



Frederik  
Larsen

161

100% BIOGAS  
Op til 100% CO<sub>2</sub> reduktion



IVECO

IVECO



# Sustainability and environment

As part of an industry with a significant carbon footprint, we see it as our duty to take the lead and contribute to the green transition. Frode Laursen's goal is therefore to reduce our CO<sub>2</sub> emissions by 35% from 2020 to 2030.

This is ambitious, but we believe it is feasible, among other things because we are seeing a growing interest among our customers for sustainable transport and storage solutions. It is difficult to make the green transition alone, and therefore we greatly appreciate our strong collaboration with both our customers and suppliers in finding the best solutions.

We calculate our climate impact on the basis of our CO<sub>2</sub> emissions per square metre of warehouse area as well as our CO<sub>2</sub> emissions per tonne-km.

As regards transport, we compare emissions on a well-to-wheel (WtW) basis, where the emissions throughout the entire process are included. This

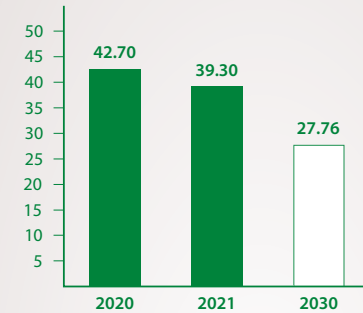
follows the recommendations from ISO 14001 and the EU strategy, which recommend that the entire carbon footprint of the fuel is taken into account.

With regard to the emission value of consumption at our logistics centres, we have used figures from the authorities.

In 2021, we managed to reduce our CO<sub>2</sub> emissions by 8% in transport. In terms of our buildings, by purchasing green power we have managed to reduce our CO<sub>2</sub> emissions by 48%. Altogether, this means that we have reduced our CO<sub>2</sub> emissions by 9%, and we are thus well on the way to achieving our goal of 35%.

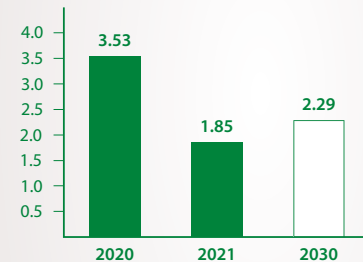
## Transport

CO<sub>2</sub> emissions (grams CO<sub>2</sub>/tonne-km)



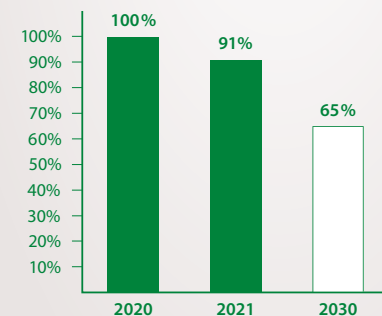
## Buildings

CO<sub>2</sub> emissions (kg/m<sup>2</sup>)



## Total CO<sub>2</sub> reduction

Goal – 35% reduction from 2020 to 2030



# Transport

Frode Laursen's biggest source of CO<sub>2</sub> emissions is our transport operations, and therefore we have been devoting considerable focus to how we can reduce our CO<sub>2</sub> emissions per tonne-km. In 2021, we managed to reduce our emissions by 8%.

This is mainly due to the increased use of alternative fuels. In 2021, our use of more sustainable fuels tripled by almost 5% to almost 16%. The increase is due to the fact that, in 2021, we introduced our own HVO quota scheme, which has meant that our consumption of HVO has increased by 234%, so that it now accounts for almost 10% of our total fuel consumption. We want to continue this positive development, and our ambition is to increase the number of green kilometres driven by 50% in 2022.

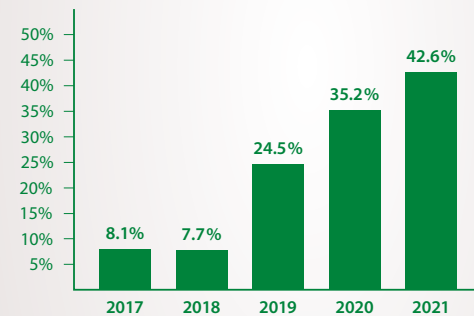
As Frode Laursen owns the majority of the fleet it uses for transport and distribution, we have a unique opportunity to ensure that both the equipment and our drivers are able to perform 100%.

Thus, 99% of our trucks are Euro 6 standard. The ambition for 2021 was that all of our trucks should be

Euro 6 standard, but due to the overheated market, it has not been possible to obtain enough trucks, and therefore the last trucks will not be replaced until 2022.

In 2021, we took delivery of 11 new gas-powered trucks, which increased the proportion of gas-powered trucks in our fleet from 4% to 6%. Our gas-powered trucks run on LBG, LNG or CBG. The CBG trucks were introduced into Denmark in early autumn, and the experience we have gained from this highlights the considerable value of taking a focused approach to training drivers to drive more efficiently and sustainably. The biogas trucks have a smaller range than traditional diesel-powered trucks, and as there are limited refuelling options in Denmark, it is therefore important to drive the trucks in as fuel-efficient a way as possible. A good driving style is therefore not only 'nice-to-have' but just as much a 'need-to-have' in order to be able to deliver the goods.

## No. of customers receiving CO<sub>2</sub> data



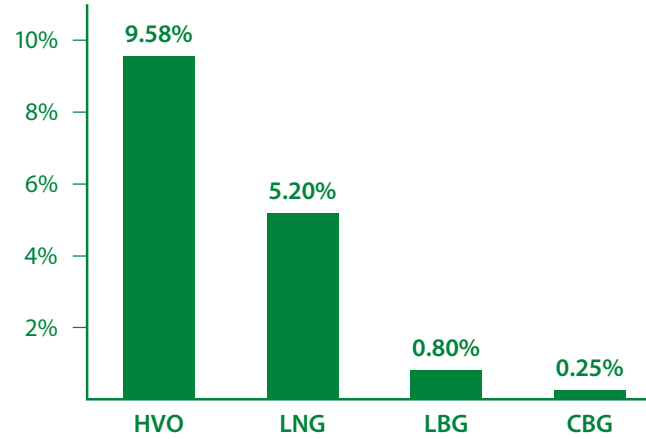
*Measurement and transparency are important to keep the 'green' ball rolling. For several years, we have been offering our customers monthly reports on the CO<sub>2</sub> emissions of their transports. In recent years, we have experienced a significant increase in demand for these reports.*

We have tripled the number of kilometres driven using alternative fuels. 15.84% of our driving used more sustainable fuels than diesel.



## Alternative fuels

Percentage



HVO biodiesel is a renewable type of diesel that is produced from vegetable fats and oils.  
**It cuts CO<sub>2</sub> emissions by up to 88%.**

LNG is liquefied natural gas.  
**It cuts CO<sub>2</sub> emissions by up to 20%.**

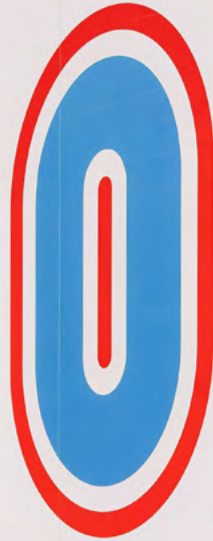
LBG is liquefied biogas.  
**It cuts CO<sub>2</sub> emissions by up to 100%**

Compressed biogas (CBG) is a methane-based gas made from waste or biological material.  
**It cuts CO<sub>2</sub> emissions by up to 100%.**



BIOMAN

**BIOGAS**  
for transport



REMA 1000  
TRANSPORT MED HOLDNING



VI KØLER MED  
GENNÅVNEDT CO<sub>2</sub>

DUOPLEX<sup>STIEL</sup>

1759

Frode  
LAURSEN

100% BIOGAS  
Op til 100% CO<sub>2</sub> reduktion



20

SUSTAINABILITY AND ENVIRONMENT

# Biogas-fuelled transport imposes different requirements

In 2021, Frode Laursen participated in the inauguration of 'the green corridor' which, with four biogas stations distributed at strategic locations in Denmark, makes it possible to transport goods using biogas trucks operating throughout the country.

With only a few refuelling options and a truck with a range that is only one fifth of that for a diesel truck, a special effort has to be made to keep the wheels turning – such as detailed planning by the customer and the freight forwarders and considerable focus on driving style from the driver.

"When you drive a biogas truck, how you drive makes a big difference," says Peter Hansen, who drives every day from Rema 1000's central warehouse in Horsens to stores nationwide.

"You use much less fuel if you make sure to freewheel down the hills, if you avoid braking suddenly and if you use the cruise control," he says, before adding with a smile:

"If you have a delivery to make in western Zealand, and the only place you can refuel is in Ishøj on the outskirts of Copenhagen, you soon learn to watch how you drive."

The biogas trucks also force the customer and the freight forwarders to consider certain factors:

"We have to be even more careful with our planning, as extra time is needed because the trucks need refuelling more often," says Brian Munk, head of Road DK Retailer, who adds:

"The green transition also means changes at Frode Laursen and with the customers, and together we need to find out the optimum way of doing things. Fortunately, it's a steep learning curve, and I already think that we've made considerable progress."

*In Denmark, Frode Laursen's biogas trucks make regular deliveries for Rema 1000 and Rockwool.*



# Quota concept ensures more green kilometres

At the beginning of 2021, we introduced our Green Fuel Quota Concept to our customers in Denmark and Sweden. The concept enables our customers to ensure that their share of distribution at Frode Laursen runs on HVO – even in cases where the goods are not transported by trucks on fixed routes.

“Frode Laursen’s multi-share concept, where our customers are shared between logistics centres and transport, is basically sustainable because it saves resources. Through our Green Fuel Quota Concept, we can now also guarantee our customers that their goods are transported using sustainable fuels,” says Ralf Sonne Laursen, CCO 3PL at Frode Laursen A/S.

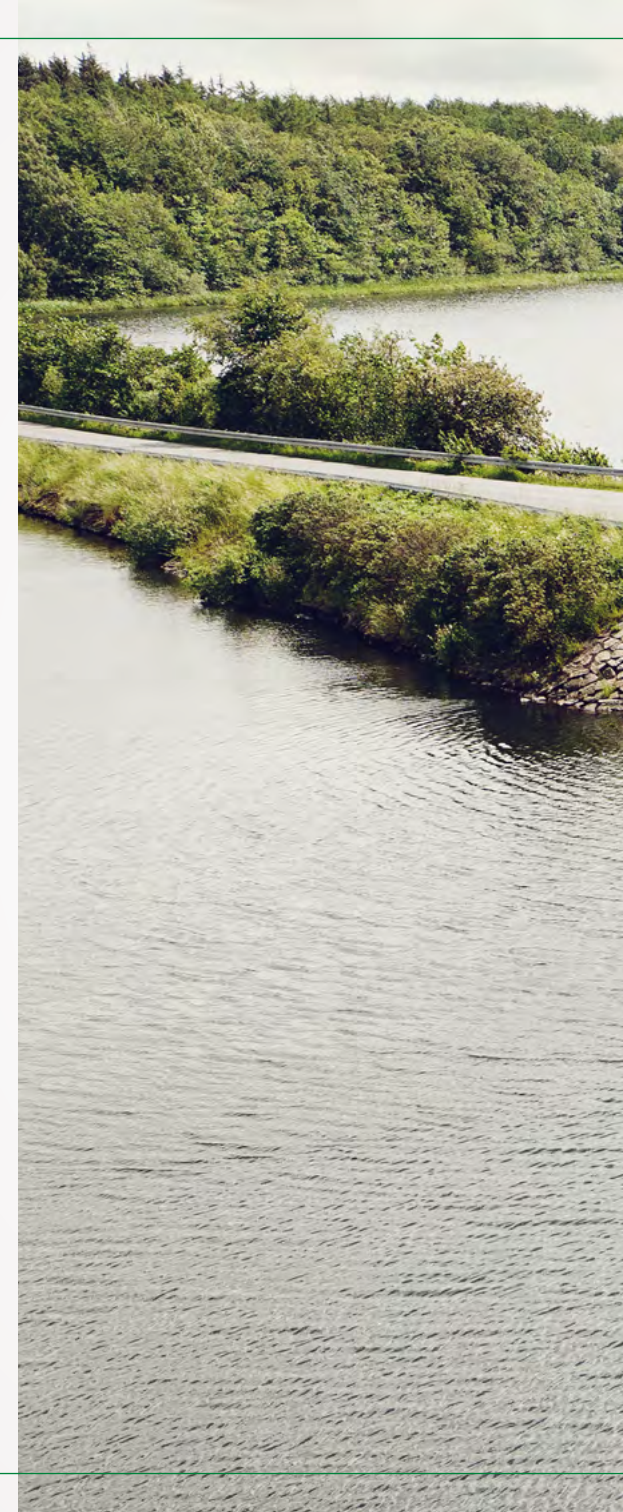
In Frode Laursen’s Green Fuel Quota Concept, the customer’s exact share of Frode Laursen’s total CO<sub>2</sub> emissions is converted to HVO, which reduces

the carbon footprint by at least 88%. Just like green certificates, for example.

“We document the customer’s green transition down to the last drop, and the accounting firm EY audits and prepares a statement of assurance, which documents the CO<sub>2</sub> reduction,” says Ralf Sonne Laursen.

And customers have embraced the new initiative. In 2021, more than 900,000 litres of HVO were sold through our HVO quotas alone, and the scheme has helped to double the proportion of green kilometres driven in Frode Laursen.

“It’s been a huge success, and we hope and expect it to continue so that we can increase the proportion of HVO biodiesel by 50% in 2022,” says Ralf Sonne Laursen.





From November 2021, Frode Laursen has ensured pure HVO-based deliveries to Sweden, Finland and Denmark for our customer Mondelēz.

*“The collaboration with Frode Laursen on switching to HVO diesel for all transport activities is part of our efforts to further reduce our emissions. The change is necessary in order to reduce our climate footprint, and thus help to curb global warming. We see this as an important milestone in our work to create a sustainable future, and hope that more people hop on board,”*

says Martina Flemström, Managing Director for Mondelēz International in Sweden and Finland, when the agreement was published in autumn 2021.

Calculations show that the agreement between Mondelēz and Frode Laursen will result in an annual reduction in CO<sub>2</sub> emissions of 2,100 tonnes.

# Buildings

Frode Laursen continuously maps its logistics centres and other buildings for pollution risks and energy consumption, and we are doing what we can to minimise risks and reduce consumption.

By definition, the very idea behind our multi-share warehouse solution is sustainable: Shared facilities save resources – both for transport and at the logistics centres. Nevertheless, we have about 600,000 square metres of warehouse and office buildings, so it is extremely important for Frode Laursen that we find the best way of both constructing and operating logistics centres.

Our buildings department is constantly working to reduce energy consumption and thereby reduce our environmental impact.

In 2021, this focus meant, among other things, that we switched to 100% green power at all our locations. In addition, we have also invested in pilot

projects with a view to producing our own sustainable electricity. In Åstorp, Sweden, and Jyderup, Denmark, we have thus installed a total of 800 square metres of solar panels, and we are also planning to install min. 400 square metres of solar panels at our new logistics centre in Eskilstuna, Sweden, which we established in 2021.

Eskilstuna is the first logistics centre to be built according to our Green Warehouse Vision.

Frode Laursen's Green Warehouse Vision was drawn up in 2020, and sets high green standards for future construction projects.

At our new logistics centre in Eskilstuna, building materials have therefore been a key focus area, and we decided, for example, to insulate the office building with ROCKZERO, which insulates twice as effectively as ordinary insulation material. At the same time, we are installing heat pumps, which have

proven to be more energy efficient than any other heating type.

A new sustainable truck wash has also been established in Eskilstuna. The new truck wash is the fifth in a series of environmentally optimised truck washes, which recycle the dirty water. Thus, in 2021, the four sustainable truck washes together saved about 12,000 cubic metres of fresh drinking water, which equates to the annual water consumption of 80 households.

The construction of Eskilstuna, like all our other facilities, was very carefully planned according to precise calculations of which sites will result in the lowest transport costs and thus the lowest CO<sub>2</sub> emissions.

In 2021, we managed to almost halve the CO<sub>2</sub> emissions from our buildings. This is largely due to the fact that, at the beginning of the year, we switched to using green power at our locations.







## Waste

We systematically sort our waste at all our logistics centres, and are constantly working to improve our waste sorting and recycling. This has meant, for example, that in four years we have halved the proportion of waste being sent for incineration, while the amount of organic waste being sent to biogas plants has more than doubled. We want to bolster this development, and in the coming years we will focus on initiatives that strengthen our sorting and recycling.



## Solar cells + 100% green power

On 1 January 2021, we switched to green power at all our locations. The electricity comes from either wind turbines, solar panels, HEP plants or biomass plants, and the change means that we have nearly halved the CO<sub>2</sub> emissions relating to our buildings. At the same time, we have invested in the establishment of two solar panel plants at our logistics centres in Jyderup, Denmark, and in Åstorp, Sweden, and in 2021 we started collaborating with the local airfield in Eskilstuna, Sweden, to explore the possibilities for establishing a solar plant there.

“The solar plants are pilot projects that we have established in order to learn about and gain experience within this field, and to find out whether we can produce our own green power,” says Jakob Gundal Nikolajsen, building manager at Frode Laursen.

However, he emphasises that the top priority is reducing power consumption, for example by installing the LED lamps that Frode Laursen has developed as well as other power-saving measures.

“The greenest power is the power you don’t use,” as he puts it.

# Green Warehouse Vision in Eskilstuna

2021 was the year in which we inaugurated our largest sustainable building to date. Our logistics centre in Eskilstuna, Sweden, is the first of our logistics centres to be built in line with our Green Warehouse Vision. It is during construction rather than its ongoing operation that a building makes its carbon footprint. So, in addition to projects involving LED lighting, heat pumps and solar panels and other green power measures, our latest logistics centre in Eskilstuna has been built to brand new standards with several initiatives to support the green transition.

- We have replaced concrete with steel panels with carbon-neutral insulation on the outer walls.
- The building features a NOXOUT roof, which minimises air pollution by breaking down the so-called NOx particles that are emitted from cars and trucks. The sun's UV radiation then converts the NOx particles into nitrate, which is washed out when it rains.
- The roof is white rather than the usual black. Consequently, the roof does not heat up as much when the sun shines, reducing the warehouse's total energy consumption during the sunny, hot summer months.
- The building is insulated with carbon-neutral insulation.
- Moreover, the insulation is twice as effective as standard insulation.
- All beams and panels are made of recycled steel.
- A truck wash has been established.
- Rainwater is reused for toilets and cleaning.





Scan to see the construction of our logistics centre in Eskilstuna, Sweden, from start to finish

# Employees suggestions

We believe a sense of responsibility should infuse the entire company, and our employees play a key role in our sustainability work. It is they who have the expertise at their fingertips, and it is their input we use when thinking green solutions. In order to involve employees further in this work, several times a year we select a CSR award-winner from among those employees who have submitted suggestions for how we can act more sustainably. The winner receives DKK 5,000 (EUR 672) for an event with colleagues.

The suggestions are subsequently considered by Frode Laursen's CSR group, and have resulted in plastic cups and plastic disposable cutlery being replaced by more eco-friendly materials, in more attention being paid to waste sorting at the offices, and in the launch of a project to establish charging points for electric cars. This employee scheme is continuing in 2022.

*"From our point of view, collaboration is at the crux of this green transformation – not just in terms of coming up with new ideas, but also when implementing the solutions."*

Thomas Corneliussen, CEO





## Less plastic

At Frode Laursen, we aim to use as little plastic as possible. In 2021, we implemented the following initiatives:



In 2020, we replaced our 17 micrometre hand stretch film with a thinner 15 micrometre product. In 2021, the same change was implemented for our machine stretch film. In total, this reduced our plastic consumption by 15 tonnes in 2021.



When we collect our  $\frac{1}{4}$  and  $\frac{1}{2}$  pallets on a whole pallet, we secure them with individual straps around the entire pallet. The standard process in the industry is to use stretch film around the pallet, but this plastic consumption has been eliminated.



In 2021, we phased out the use of plastic air bags as box filling. Instead, we use recycled cardboard as filling for boxes and when we pack displays.



Every year, we use approx. 500,000 disposable cups at Frode Laursen. In 2021, our disposable plastic cutlery and cups were replaced with wood and cardboard products.





## Topic

## Objectives 2021

## Results 2021

## Objectives 2022

### CO<sub>2</sub> emissions per tonne-km and per m<sup>2</sup>

- 35% reduction in Frode Laursen's total CO<sub>2</sub> emissions per tonne-km and per m<sup>2</sup> in 2030.

- In 2021, we reduced our total CO<sub>2</sub> emissions from transport from 42,905 tonnes to 41,794 tonnes. At the same time, we clocked up more kilometres, which meant a decrease in CO<sub>2</sub> per tonne-km of 3.4 grams, or 8%.
- In 2021, we reduced our energy consumption from 1,637 tonnes to 1,010 tonnes. This equates to a decrease per square metre of 1.78 kg, or 48%.
- Overall, we have reduced our CO<sub>2</sub> emissions by 9%.

- 35% reduction in Frode Laursen's total CO<sub>2</sub> emissions per tonne-km and per m<sup>2</sup> in 2030.

### Our fleet and alternative fuels

- Even more of our fuel consumption must be environmentally friendly, i.e. either HVO, LNG, LBG or CBG.
- More tractor units which can run on alternative fuels.
- Maintain the fleet. All trucks must be Euro 6 standard.
- Invest in new trailers and tractor units.
- Implement the Green Fuel Quota Concept.

- In 2020, our eco-friendly fuel accounted for 5% of total consumption. In 2021, three times as much eco-friendly fuel was used, and it accounted for 16% of consumption.
- In 2020, we had 28 gas-powered trucks. In 2021, this number grew to 39. The proportion of gas trucks is now 6%.
- Unfortunately, due to delivery problems, we were unable to achieve our objective that all our trucks should be Euro 6 standard. However, 99% of the trucks are.
- The Green Fuel Quota Concept is being used by more and more customers.
- We have invested in 190 new trailers and 129 tractor units – of which 11 are gas-powered.

- Increase the green proportion of our fuel consumption by 50%.
- Maintain the fleet. All trucks must be Euro 6 standard.
- Invest in new trailers and tractor units.
- Implement the Green Fuel Quota Concept.

Topic	Objectives 2021	Results 2021	Objectives 2022
Driving style and vehicle fill rate	<ul style="list-style-type: none"> <li>The vehicle fill rate (VFR) must be improved.</li> <li>Driving efficiency must be raised.</li> </ul>	<ul style="list-style-type: none"> <li>Driving efficiency is unchanged.</li> <li>Although the VFR for our distribution trucks was still above 100%, unfortunately it did not improve due to capacity challenges.</li> </ul>	<ul style="list-style-type: none"> <li>Improve VFR on selected runs from the logistics centres.</li> <li>Focus on driving style for hauliers.</li> <li>Avoid empty runs.</li> </ul>
Energy consumption	<ul style="list-style-type: none"> <li>Implementation of green energy.</li> <li>Pilot projects to explore the possibility of Frode Laursen having its own sustainable power production (solar panels).</li> </ul>	<ul style="list-style-type: none"> <li>We use 100% green power at all our logistics centres.</li> <li>We are establishing solar pilot projects in Jyderup and Åstorp.</li> </ul>	<ul style="list-style-type: none"> <li>Establish charging points for private cars in Vitten, Jyderup and Åstorp.</li> <li>Offer CO<sub>2</sub> reporting at the logistics centres for customers.</li> <li>Further develop power-saving LED lamps both indoors and outdoors.</li> </ul>
Waste and plastic	<ul style="list-style-type: none"> <li>Focus on alternative ways of using our waste.</li> <li>Focus on minimising our plastic consumption for packaging.</li> </ul>	<ul style="list-style-type: none"> <li>We have started collaborating with Daka Refood and Adival on food waste.</li> <li>95% of our waste is recycled.</li> <li>Machine stretch film changed from 17 µm to 15 µm. Together with the hand film, which we changed in 2020, it means that we save 15 tonnes of plastic and 41 tonnes of CO<sub>2</sub>.</li> <li>We have phased out air bags in favour of corrugated cardboard.</li> </ul>	<ul style="list-style-type: none"> <li>Increase waste sorting at the offices.</li> <li>Conduct trials with recycled plastic film.</li> </ul>
Water consumption	<ul style="list-style-type: none"> <li>New sustainable truck wash planned at new logistics centre in Eskilstuna.</li> </ul>	<ul style="list-style-type: none"> <li>New sustainable truck wash built in Eskilstuna.</li> <li>Rainwater used for toilets in Eskilstuna.</li> <li>Rainwater used for cleaning in Eskilstuna and Åstorp.</li> </ul>	<ul style="list-style-type: none"> <li>New sustainable truck washes planned for Hedehusene and Flensburg.</li> </ul>



# Employees and society

At Frode Laursen, we consider our employees and their knowledge and experience to be our most important resource, and it is important for us that all our employees are taken seriously and treated with respect.

This is also why topics such as safety, working conditions and training have a high priority at Frode Laursen. In recent years, we have focused even more on employee safety. During the COVID-19 pandemic, we had to safeguard the stability of society by ensuring that daily goods were delivered to the shops, while at the same time ensuring that our employees were protected against COVID-19 to the

greatest possible extent.

Throughout the process, we have therefore had a dedicated task force made up of managers and key employees, whose primary task was to ensure a rapid response and efficient and timely communication to both employees and customers.

The task force was active throughout 2021, and has continued its work in 2022.

## Employee data 2021



# Diversity<sup>3)</sup>

Diversity strengthens the business, and therefore also has a high priority at Frode Laursen. When, like us, you are a group that operates internationally, has locations in five countries and employs even more nationalities, it is clear that diversity, inclusion and the ability to understand each other across different cultures, ages, religions and genders is essential for the group to function.

Even though the transport and logistics industry is dominated by men, our objective is that at least 20% of the Boards of Directors of Frode Laursen A/S and TA-Logistics are female. This objective is currently met.

However, it is also Frode Laursen's ambition to improve the gender balance at other management levels. In 2021, 37% of our managers were women, which is 5% more than in 2020. We are satisfied with this increase, and would like the figure to be even higher. Accordingly, we have drawn up guidelines for recruiting and retaining female managers, which include supporting the preparation of individual career plans.

However, diversity is not limited to gender, and Frode Laursen is a company with many nationalities and generations among its employees. The age of our employees ranges from young trainees and apprentices to employees over 70 years of age who can celebrate 50 years with the company. We are very proud that, even when the labour market is so hot, we are still able to retain many of our employees for years; in

fact, we also find that employees who have left to try their hand elsewhere often return to Frode Laursen.

However, we continue to focus on making Frode Laursen an even better place to work.

With a labour market where qualified labour is in short supply, we must look after the skilled employees we have, and ensure that they can stay with us for as long as they want. Therefore, in 2022 we will focus on how we can retain our seniors to a greater extent.

In the same way, we will also intensify our efforts at training trainees and apprentices.

Trainees and apprentices are important for Frode Laursen. As a company, we believe we have a responsibility to train tomorrow's clerical workers, freight forwarders, finance workers, drivers, warehouse workers and mechanics. At the same time, we value the energy and drive they bring to the company.

In 2021, we had 48 trainees and 18 apprentices, and we would like to see these numbers increase. Our ambition in 2022 is therefore to increase the number of trainees by 30%.

## People in Frode Laursen



*"I work with some great people. We have fun and help each other out, and I really enjoy being here. I've been able to take responsibility and develop my skills, which is very satisfying."*

**Shafi Hassan Osman,**  
warehouse worker, Flensburg  
Born and raised in Somalia, but has lived in Germany for four years and worked for Frode Laursen since 2019.



*"Frode Laursen is a great place to do your training. There are so many good colleagues, and so many possibilities. I love driving – and the sense of freedom it brings. That's what I'm going to be doing here."*

**Line Hansen, trainee HGV driver, Vitten**  
Originally trained as a sales assistant, but has been training at Frode Laursen since 2020.



*"I was trained at Frode Laursen, and as the company grew, I was also able to develop my skills. Consequently, it doesn't feel as though I've been with the same company for 40 years. I've done so many different things."*

**Skjold Mathiesen, controller, Vitten**  
Started working as a finance trainee at Frode Laursen in 1981, and was able to celebrate his 40<sup>th</sup> anniversary in the finance department in 2021.

# Working environment

It must be safe to go to work at Frode Laursen, and we do our utmost to prevent work-related accidents.

All employees have the right and access to the necessary safety equipment, and we conduct incident analyses and provide the necessary safety training for our employees.

Working environment committee meetings are regularly held at which work-related accidents and preventative measures are discussed.

Frode Laursen collects comparable data from the countries in which we operate. The results are reported four times a year to the group's Board of Directors, which ensures that we continually focus on implementing safety improvements.

In 2021, we reduced the number of work-related accidents by 5% at Frode Laursen. However, we have still had 55 work-related accidents, which is not satisfactory. In order to ensure effective and focused efforts, in 2021 we categorised all the work-related accidents in Denmark, and found that 58% of them were due to falls. In 2022, therefore, we will make a focused effort to reduce the number of work-related accidents within this area as well as within

other high-risk areas such as accidents involving crayers, powered pallet jacks and lifts.

At the same time, all work-related accidents in Finland, Sweden and Germany must – like the work-related accidents in Denmark – be categorised. Finally, an internal specialist group will be established in Denmark to conduct an all-round study of various accidents in order to establish preventive measures.

In addition to being a safe place to work, it is also our ambition that our employees enjoy a high level of well-being. In order to meet many employees' desire for a more flexible working day, in 2021 we gave employees – in the job functions where it was possible – the option of working from home. At the same time, however, we maintained the physical workplace as a base, because we believe it supports a strong feeling of collegiality and sense of togetherness as well as the high degree of professionalism and dynamism that is crucial for a good workplace.







# Training

It is important for Frode Laursen that we help our employees to develop in tandem with the group.

Although COVID-19 also made its mark on the first half of 2021 in particular, we completed both team management training in the Road divisions and initiated management training for both new and existing managers.

There will be even more focus on this in 2022, when management training, driver courses and skills development for salaried employees are on the programme.



## Focus on development

Focusing on leadership and leadership development has been an active part of Frode Laursen's strategy in recent years, and in 2021 we facilitated an internal team leader training programme for our Road divisions. In several modules, the participants received training in DISC, employment law, the difficult interview and action plans.

"Attending the courses has been extremely useful," says Trine Klitgaard Sejerup, who started as a trainee at Frode Laursen A/S in 2010, and since 2017 has been team leader in the Road DK Dedicated division.

She continues:

"It's been very good meeting other team leaders in the organisation. I've probably always felt a little uncertain because the leadership role doesn't come to me that naturally. However, spending time together with the other team leaders has given me more self-confidence as a leader because I'm able to see that we're all at the same place, and that we're all basically struggling with the same tasks."

### Far-reaching network

At the same time, Trine and the other 14 team leaders get to know each other better across the organisation, which is also one of the objectives of the course.

As Trine Bank Hansen, who heads HR at Frode Laursen, says:

"The team leader course is obviously intended to give our team leaders in the Road divisions competencies for developing their management skills, but it is equally important that they forge relations and establish networks with each other, and use each other to a greater extent as sounding boards. This makes leadership a component of daily working life and strengthens leadership throughout the company."

# Part of the local community

A natural extension of Frode Laursen's employee focus is our commitment to the local communities in which we operate as well as to society at large.

In many cases, our logistics centres are one of the largest workplaces in the local area, and consequently we have a duty to contribute to the local community. We work closely with the local authorities and politicians, and at most of our locations we have people in job testing, or we are involved in programmes that are designed to open a door to people on the edge of the job market.

One example is our long-standing cooperation with the state-owned Samhall organisation in Sweden, while another is our collaboration with the job centres in the areas in which we have operations.

## Sponsorships

Our local commitment is also reflected in the large number of local sponsorships we provide. We are keen to make a difference for our employees – even in their spare time. Therefore, we sponsor local sports clubs and local events in the areas in which our facilities are located, the aim being to help increase cohesion and development in the communities in which our employees live.

Every year we also support the fight against cancer through the Danish Cancer Society's 'Knæk Cancer' campaign. This is a team effort, in the sense that the company's employees organise collections and make donations, with Frode Laursen then doubling the amount. This has become a good tradition, which both the company and our employees are proud of, and which brings us all even closer together.

In 2022, Frode Laursen will continue to sponsor activities in the local community.





## Martin was ready for early retirement – now he’s a permanent employee

At our logistics centre in Jyderup, Denmark, we have been collaborating with the local municipalities for several years to help give vulnerable citizens a leg-up into the labour market.

Martin Jensen (27) from Jyderup was one of those who started last year at Frode Laursen:

“I suffer from PTSD and social anxiety, so I was due for early retirement, but through the municipality I came out here,” says Martin, who now finds himself under the wings of team leader Karina Öztürk.

“Karina has been wonderful at talking to me and praising me. And then she spurred me into talking to other people,” says Martin.

For the past eight years, Karina has looked after everyone who has done work aptitude training in Jyderup:

“I’m probably a mother, schoolteacher and psychologist all rolled into one. I’m matter-of-fact, but I’m also good at praising people, and I also think that I can take on quite a lot at any one time,” says

Karina, who is currently looking after six citizens in the packing department.

“In the past there have been more, but it works very well with six, because the citizens who are here are struggling with quite a lot in their personal lives,” says Karina, who has no doubts about what makes her job so satisfying:

“The best thing is when a citizen is employed. It’s probably happened about 10-12 times, and it feels fantastic on each occasion,” she says.

One of those who has been able to swap work aptitude training with a permanent job is Martin, who after several months was offered a permanent position.

“It was great. It has given me much more self-confidence, and I’m working hard, and it’s largely down to Karina,” says Martin, who is now also planning for the future:

“I enjoy what I’m doing, but I’m dreaming of becoming a truck driver.”

## Topic

## Objectives 2021

## Results 2021

## Objectives 2022

### Diversity

- Increase the proportion of female managers at all management levels.

- The proportion of female managers has increased from 32% to 37%.

- We must increase the proportion of female managers at all management levels.
- We must retain more of our senior employees by offering senior arrangements.
- We must increase the number of trainees and apprentices by 30% and do our bit to train tomorrow's workforce.

### Working environment

- Reduce the number of work-related accidents throughout Frode Laursen by min. 15%.
- Establish joint safety initiatives for the entire Nordic region.

- The number of work-related accidents at Frode Laursen has decreased from 58 in 2020 to 55 in 2021.
- Danish work-related accidents are categorised. Falls account for 58% of accidents.

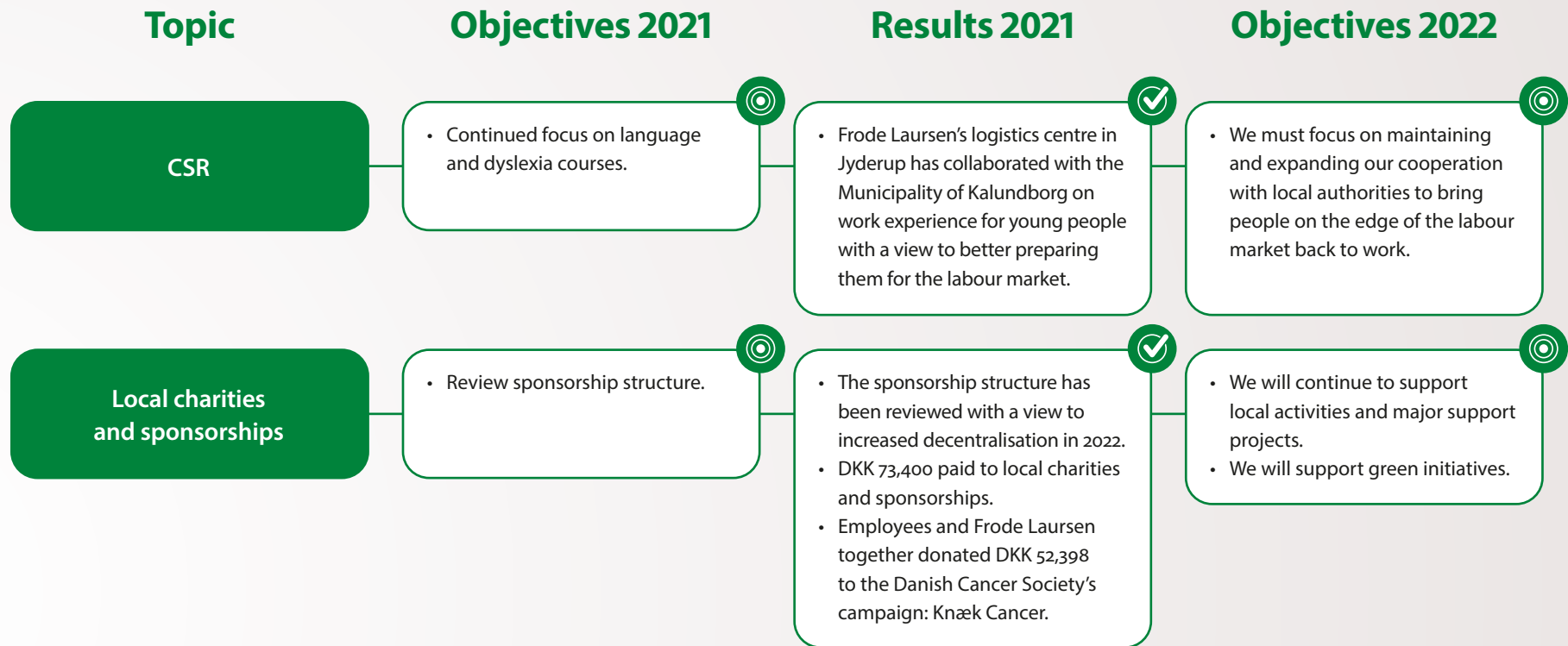
- Falls must be reduced by 25% in Denmark.
- We must take a systematic approach to reducing accidents involving crayers, powered pallet jacks and lifts.
- We must categorise all the work-related accidents occurring at Frode Laursen's facilities in Sweden, Finland and Germany.

### Training

- Develop and implement systematic leadership training at all levels in the company.

- We have completed team management training in the Road divisions in Denmark.
- Management courses have been initiated for both new and current managers.

- Management training must remain a focus area for everyone.
- We must start management training at the warehouses.
- We must launch a driver training course, focusing on safety and driving style.
- We must initiate competence development for salaried employees (language, personal efficiency etc.).







# Ethics and good business practices

Decency is a key principle for Frode Laursen. As an international business with a proud tradition of keeping our word and delivering on time, it is imperative that we adhere to strong business ethics. For Frode Laursen, this includes treating all employees and business partners with respect, paying taxes in the countries in which we conduct business, and having a Code of Conduct which we require all employees and business partners to accept and follow.

While Frode Laursen is keen to support good business ethics and practices and respect human rights, one of the main risks we face is that our suppliers might not share this focus.

All our suppliers are therefore required to read and accept our Code of Conduct before entering into cooperation to ensure that everyone is familiar with and complies with this code.

In 2021, we strengthened our internal control system by establishing a whistleblower scheme that allows employees, customers, business partners, suppliers and other stakeholders to report any instances where the company, a manager or colleague is failing to comply with current legislation or the guidelines in our Code of Conduct.

## Transparency

At Frode Laursen, we believe in transparency and strong relations with both our customers and employees. Transparency and open communication have proved particularly crucial during the COVID-19 pandemic over the past two years. In 2021, we therefore rolled out our internal communication platform – the FL app – which every employee can access. The FL app is well integrated in Denmark, but in 2022 we must work to better integrate it in Sweden, Germany and Finland.

In 2021, we also expanded our customer portal 'FL Analytics', which gives our customers quick and easy access to key figures and visualisations of their data from the logistics centres as well as from distribution

activities. Track and trace was implemented for all customers using FL Analytics, and we also started to make CO<sub>2</sub> reporting and co-pack reports available. In 2021, 76% of our customers were linked to FL Analytics, but unfortunately we did not achieve our target of 95%. However, we expect this to be achieved in 2022.



Scan and read our  
Code of Conduct

## Topic

## Objectives 2021

## Results 2021

## Objectives 2022

### Business practices, ethics and transparency

- Raise awareness of Frode Laursen's Code of Conduct within the company.
- Roll out FL Analytics to 95% of customers.
- Implement track and trace and CO<sub>2</sub> reporting via FL Analytics.
- Implement internal communication platform for all of Frode Laursen.

- The Code of Conduct has become more widely known throughout the organisation via internal channels.
- A whistleblower scheme has been established. In 2021, we have not experienced incidents that have been in conflict with our Code of Conduct, including anti-corruption and human rights.
- FL Analytics has been rolled out to 76% of customers.
- All Frode Laursen employees have access to the internal communication platform – the FL app.

- In the coming years, Frode Laursen will handle any violations of the guidelines reported through our new whistleblower scheme.
- FL Analytics must be deployed to 95% of customers.
- CO<sub>2</sub> reporting must be rolled out to all customers.
- The FL app must be better integrated in Sweden, Germany and Finland.





# Key figures

KEY FIGURES	2021	2020	2019	2018	2017
<b>CO<sub>2</sub></b>					
CO <sub>2</sub> emissions (tonnes) – transport <sup>4)</sup>	41,795	42,905	46,646	50,440	50,356
Average energy efficiency (grams CO <sub>2</sub> per tonne-km) <sup>4)</sup>	39.30	42.70	44.15	45.70	45.68
CO <sub>2</sub> emissions (tonnes) – buildings <sup>5)</sup>	1,010	1,637	2,042	2,625	2,231
CO <sub>2</sub> emissions kg/m <sup>2</sup> <sup>5)</sup>	1.85	3.53	4.61	6.32	5.97
<b>Water consumption</b>					
Water consumption m <sup>3</sup> ('000)	19.56	16.49	18.43	16.27	15.64
Water consumption (m <sup>3</sup> /m <sup>2</sup> )	0.03	0.03	0.04	0.04	0.04
<b>No. of trucks by Euro standard (%)</b>					
Euro 6 standard	99	99	96	91	70
Euro 5 standard	1	1	4	8	29
Euro 4 standard	0	0	0	1	1

KEY FIGURES	2021	2020	2019	2018	2017
<b>Recycling of total waste volume (%)</b> Figures calculated according to available waste reports from all locations					
Proportion for incineration	18	19	25	41	40
Cardboard and paper for recycling	37	37	36	36	35
Plastic for recycling	5	4	3	4	3
Biodegradable waste for biogas	22	26	24	7	9
Glass for recycling	0	0	0	0	1
Metal for recycling	7	2	2	4	4
Wood for recycling	4	4	4	3	3
Concrete for recycling	2	2	1	2	-
Waste which is not recycled	5	6	4	3	5
<b>Employees</b>					
No. of employees (full-time)	1,754 <sup>6)</sup>	1,552 <sup>6)</sup>	1,778 <sup>7)</sup>	1,869 <sup>7)</sup>	1,779 <sup>7)</sup>
<b>Gender breakdown, Board of Directors - TA-Logistics A/S (%)</b>					
Women	33	20	20	20	20
Men	67	80	80	80	80

KEY FIGURES	2021	2020	2019	2018	2017
<b>Gender breakdown, Board of Directors - Frode Laursen A/S (%)</b>					
Women	20	20	20	20	20
Men	80	80	80	80	80
<b>Gender breakdown, management - Frode Laursen (%) <sup>8)</sup></b>					
Women	37	32	-	-	-
Men	63	68	-	-	-
<b>Gender breakdown, management - Frode Laursen A/S (%)</b>					
Women	36	35	39	35	28
Men	64	65	61	65	72
<b>Work-related accidents</b>					
No. of work-related accidents with one or more days of sickness absence	55 <sup>9)</sup>	58 <sup>9)</sup>	34 <sup>10)</sup>	40 <sup>10)</sup>	47 <sup>10)</sup>

4) In 2021, we switched from using suppliers' CO<sub>2</sub> calculations to only calculating emissions based on the Danish Business Authority's (Climate Compass) statements for HVO and diesel. LNG is not included in the Climate Compass, and these emissions are therefore still calculated according to the supplier's information. Figures from other years have been adjusted to the current sources and are therefore comparable.

5) Emissions calculated on the basis of figures from Energinet (in Danish): <https://energinet.dk/El/Gron-el/Deklarationer>

6) All full-time employees – excluding temporary workers.

7) All full-time employees – including temporary workers.

8) TA-Logistics A/S does not disclose management, as the only employee is a director.

9) Number of work-related accidents covers all of Frode Laursen. The statement does not include office staff, workshop employees or temporary workers.

10) The number of work-related accidents covers Frode Laursen A/S. The statement does not include office staff, workshop employees or temporary workers.



# Corporate Social Responsibility report

ONE-STOP LOGISTICS  
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