

ESG Report 2021

Our road to sustainability



TRANSPOREON
transforming transportation

INTRODUCTION

Mission Sustainability

Why we act, how we act

Transporeon brings together those involved in global logistics. With our cloud platform, we make the transport, storage and distribution of goods more efficient - for manufacturers, dealers and freight forwarders. We reduce empty runs, reduce waiting times and minimise manual processes for companies.

In this way, we help companies to reduce their capital expenditure and their carbon footprint and to remain competitive. **That's our mission, that's what we work for every day.**

Transporeon is convinced that it can only offer and achieve outstanding products and results in the long term if the company can offer its customers and society relevant added value, and its employees a safe workplace. All decisions and measures we take are therefore based on values that promote positive, joint development and minimise risks.

Our stakeholders are the focus of all our activity. Transporeon focuses its activities on all stakeholders of the company, customers, employees, investors and the local environment. We regard them as equals and want to harmonise their goals, demands and needs. In order to continue to set the right priorities internally and externally, we regularly evaluate our performance at all levels. **This ESG report – the second since 2019 - provides a detailed insight into our activities, our motivation and the results achieved so far.**

Our ESG Policy

Environment:

- Sustainable use and protection of water and energy
- Reducing CO₂ emissions and avoiding waste
- Protecting healthy ecosystems

Social:

- Recognised labour, occupational safety standards and fair working conditions
- Equivalent requirements for companies in the supply chain
- Positive relations with community interests

Corporate governance:

- Corporate Governance, Legal Compliance & Tax Accountability
- Risk Management & Compliance
- IT Security & Data Protection
- Transparency and Incident Reporting



This is Transporeon

Business concept

Efficient logistics is one of the key factors for the success of manufacturing and trading companies worldwide. **Transporeon has been connecting all stakeholders in the transport chain for more than 20 years - manufacturers, shippers, suppliers, retailers, consignees and freight forwarders.** Our cloud-based platform provides you with end-to-end software solutions that make transport logistics management more efficient. With our large database and the support of artificial intelligence applications, we enable all platform participants to optimise their processes: reduce empty runs, minimise waiting times, reduce CO2 emissions, avoid manual processes and thus become more productive with each transport cycle. **This is how Transporeon has become the largest European logistics platform and a global player.**



Founded in the year

2000

in Ulm by five Logistics Management graduates. The city in the south of Germany remains the company's headquarters to this day.

Freight forwarders

120,000

Freight companies are connected to our platform worldwide as of 2021 - with a combined total of more than 5 million vehicles.

Transports

43,3 Million

Transporeon arranged transports and booked time slots in 2020. That's more than 120,000 per day or 172,000 per working day.

Manufacturer

1300

Producers and retail groups use our cloud platform every day. Together they represent more than 150,000 individual users.

Employees

1200+

Employees from 38 countries in 16 different locations across Europe, Asia and North America work for us – two thirds of the workforce are Millennials.

Management

25%

One quarter of top executives at Transporeon are female – an increase of 20 percentage points compared to 2019. By comparison, the figure for the logistics industry is only 3%.

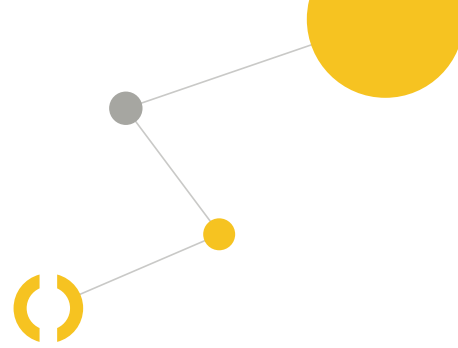
Responsibility proves itself here and today

Sustainability is not a topic of the future, but one of the present day.
Transporeon interprets this comprehensively.

Sustainability is not a fad. It is not a topic that will disappear from the scene in two or three years. **Above all, sustainability is not one-dimensional.** Even if the current social and political discussion focuses on climate protection: sustainability is more than the mere avoidance of CO2 emissions. Only a strategy that meaningfully links the needs of customers, the expectations of employees, investors and society towards the company as well as the protection of the environment deserves the label “sustainable”. At Transporeon, we are convinced that we have and live this strategy.

With our cloud platform, we offer solutions to an industry that is under significant pressure due to its carbon footprint. Road transport is responsible for about a quarter of all the greenhouse gases emitted. Only the construction and operation of buildings contribute even more. Both areas – as the current scientific publications clearly show – must change rapidly if we want to stand a chance of achieving the climate targets agreed in Paris in 2015.





The logistics industry does not suffer from a lack of knowledge or a lack of will. The challenge is simply the availability of effective alternatives. Gas, electric and hydrogen drives - they are all interesting technologies that will likely dominate freight transport in the future. But not today. And not tomorrow, either. As long as ranges and loading capacities are comparatively limited, and investments and running costs are higher, they will not succeed on a mass scale. **Despite all lighthouse projects - such as parcel and courier services.**

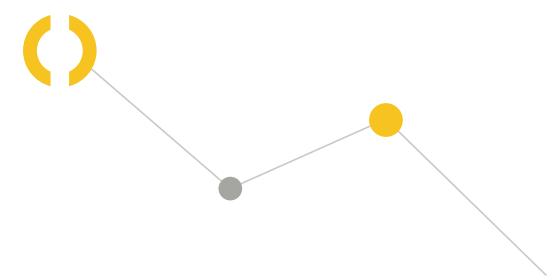
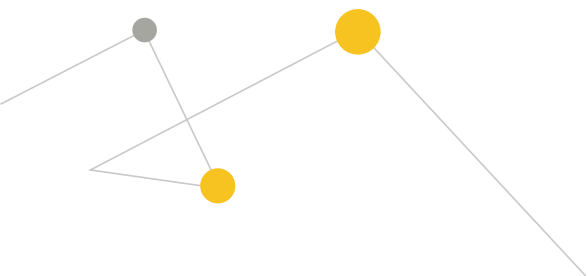
Transporeon is in a key position. With our cloud-based platform, which connects more than 1,300 shippers and 120,000 freight forwarders in 100 countries worldwide, we can reduce empty trips as well as waiting times - and thus significantly reduce the CO2 emissions of freight transport. Because as long as alternative drives are not widely available, the only way to make freight transport more climate-friendly is to organise logistics more efficiently.

Up to a quarter of trucks drive empty across the streets. This is not only ecologically nonsensical, it is also economically inefficient. We therefore do not want to sell manufacturers, dealers and freight forwarders a simple product or gimmick that creates a negligible benefit. Rather, we give our customers the opportunity to secure their long-term economic success and to change logistics sustainably. In Europe, and globally. **This is what motivates us every day: to make an industry more efficient, productive and environmentally friendly.**

Our impressive commitment to all aspects of sustainability was again confirmed this year by our investor Hg. The London-based fund invests exclusively in companies that operate sustainably, are above-average employers and behave in a socially exemplary manner. Hg regularly reviews the companies in its portfolio on the basis of an extensive catalogue of criteria. In 2020, we had already achieved first place with a very good overall result; in 2021, we were able to increase our score once again and defend our top spot. We achieved top marks in risk management, corporate governance, employee engagement, corporate culture and environmental protection.

We are most proud of the commitment of our employees in each one of those 16 locations spanning the globe. Hardly any other comparable company boasts a workforce as young and diverse as ours. They represent 38 nations and speak just as many languages; two thirds of them are “millennials” and almost half are women. Their creativity and motivation should never be underestimated. Every day, they ensure that we perform sustainably to deliver the standard that our customers rightly expect from us.

Transporeon is committed to providing people with a productive work environment where they can achieve their goals and develop. **In other words, a workplace that helps individuals, clients and Transporeon grow.**



This is also regularly confirmed by our customers. For them, our cloud platform is often critical to their own success. The availability and protection of the data are crucial for them. Regular penetration tests - carried out by customers and external specialists alike - demonstrate the robustness and reliability of our IT. **As the first e-logistics operator, we are ISO-certified and continuously train our employees to recognise and counter security threats.** As a platform operator, we are aware of our special responsibility for the economic success of our customers.

Transporeon started to take responsibility internally at an early stage. Without pressure from outside, but born out of the realisation that we must not just allow the future to happen, instead we must actively shape it. We want to reach out not only to logistics, but to society as a whole. Initiatives such as “Helping Hands” bring this to life, where we support associations and organisations from all areas of society with donations. Our employees decide together who Transporeon should support each year. **The “Helping Hands”** are just one component of our efforts to make a positive contribution to society, to integrate ourselves into local communities, to promote togetherness, and to support the socially vulnerable. In recent years Transporeon has led fundraiser events for children with heart disease, made donations to emergency services, and coordinated book collections for hospital patients.

This report gives an overview of what we have already achieved and what we are currently working on. It is a look at the current status - and also a serious invitation to join us in developing new ideas, and to become better.

Your Stephan Sieber



Where we shine

Sustainability is evident in environmentally friendly products, employee motivation and compliance with the rules of the game. **A look at our highlights.**

1) Carbon Footprint Calculator

With just three pieces of information, the start and end point, the average fleet consumption and the proportion of biodiesel, Transporeon's new Carbon Footprint Calculator calculates the CARBON FOOTPRINT - in seconds and in line with standards. This provides clarity for shippers and freight forwarders about the costs and environmental impact of each individual journey. Brought to market even before legislators worldwide demand this.

2) Real-time Visibility

Where is the transport located? When is it expected to arrive? Where are loading capacities available at short notice? Real-time Visibility (RTV) provides the answers, as well as actual waiting times at border crossings. Transporeon's RTV solution, an integral part of our platform since 2021, enables better planning, reduces costs and helps to reduce empty runs.

3) Learning & Development

Time management, efficient communication, and technical and economic content - the "Skill Academy" helps our employees to develop personally, to expand their professional skills and thus to enhance their contribution to the company. Since introducing the programme in 2019, we've been working to continuously expand it together with external partners such as Coursera. In mid-2021, we reported a total of 588 course participants.

4) Values and Objectives

Success requires clear values and goals. Transporeon has these - and lives them. Because employees share these values and objectives: creating benefit, promoting community, being a role model. We continuously convey these values internally through leaders' exemplary behaviours and regular feedback to employees.

5) ISO Certifications

Data is the currency of the 21st century. Regular penetration tests, continuous risk analyses and clear reporting channels are just some of the measures we take to ensure the integrity of security of our information. Redundancy provides additional security and availability of all services. We're ISO 27001 certified and operate in full compliance with GDPR legislation.

6) Compliance

Compliance forms the foundation of our business. Our Code of Conduct is the compass for our employees and management to act in an ethical and legal manner. We pay attention to this. At Transporeon we maintain zero tolerance for personal gain, hidden agreements, disregard for legal rules, and discrimination.





Our road to **Sustainability**:

Sustainable management, respectful and supportive treatment of employees and unconditional compliance with legal requirements are the cornerstones of our actions. In this way, we lay the foundations for long-term business success.

- How our products have a **sustainable effect**:
Page 20 ([How we create value - Environment](#))
- How we **behave convincingly** as a company:
Page 24 ([Transporeon in society - Governance](#))
- How we **encourage and motivate** our employees:
Page 32 ([How we behave as an employer - Employees](#))

How others rate us

We do not fear comparison
because we want to keep doing better and better.

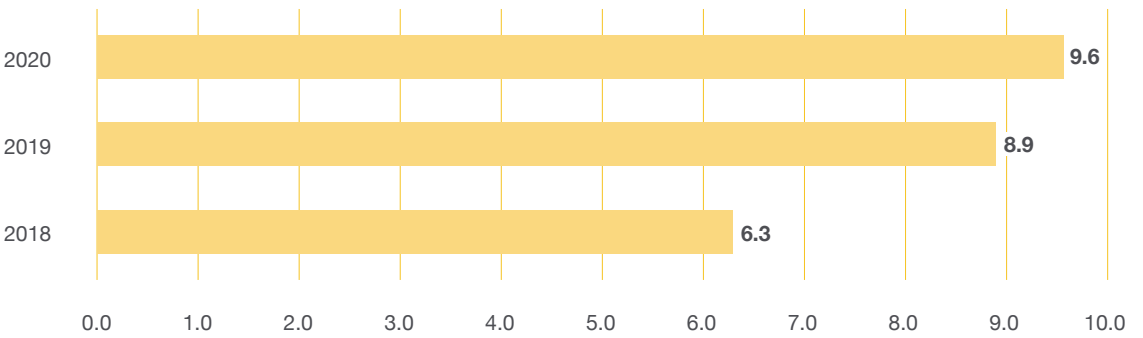
Transporeon and its customers operate in highly competitive markets. More than 120 of our customers are listed in the world’s largest stock market rankings such as Dow Jones, DAX or CAC40. These companies place correspondingly high demands on our products and services – and are constantly evaluating performance and cooperation. The strong growth of the transports of the industry leaders arranged via our cloud platform in the past years clearly demonstrates we’re doing something right.

We also win their loyalty with our platform’s outstanding levels of security and reliability, proven by regular security checks and penetration tests carried out by our customers. Most recently, we achieved first-class certification with SecurityScorecard, scoring 91 of 100 maximum possible points.

No customer, on the other hand, measures our performance in terms of sustainability as intensively as our investor Hg. The London-based fund has been paying strict attention to social and environmental aspects in its investments for years. Based on a comprehensive set of criteria in the areas of corporate governance, environment, customer relations, corporate culture and compliance, it evaluates the companies in its portfolio and obliges them to comply with minimum standards. We achieve top scores in the process.

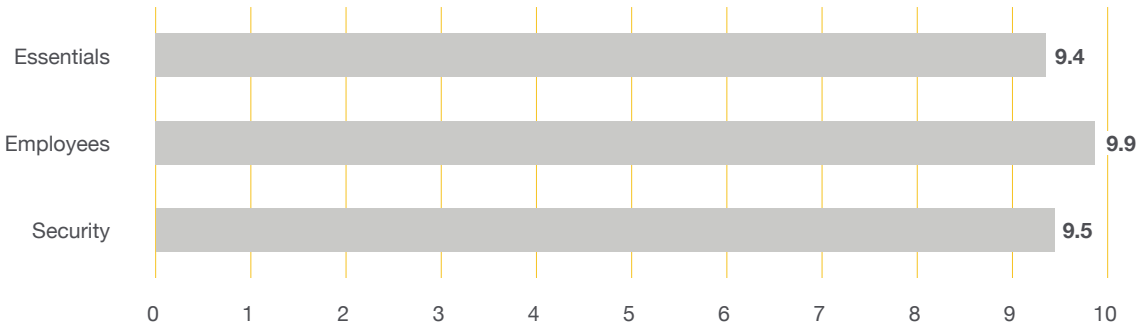
Transporeon has continuously increased its ESG rating in recent years. From 2018 to 2019 we increased our score by 2.6 points from 6.3 to 8.9 respectively. In the most recent Hg Performance Report, Transporeon scored 9.6 points. This puts us in first place in the portfolio comparison for the second time in a row.

Total Score



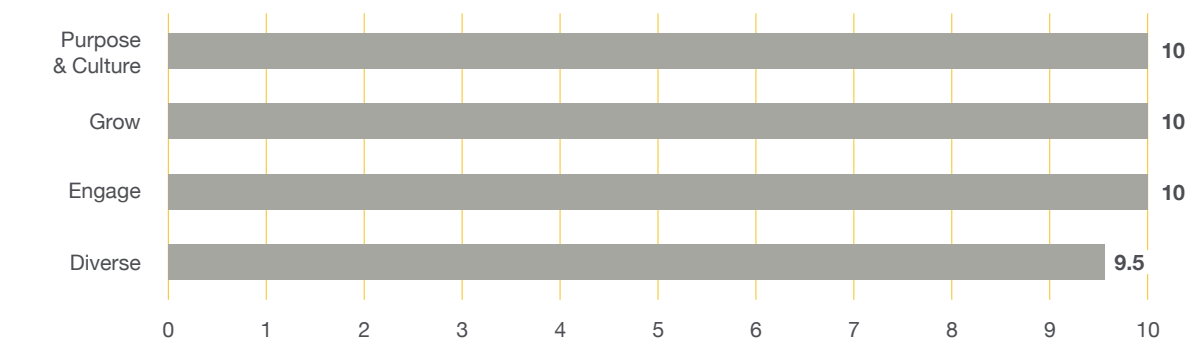
We consistently achieve the maximum score in the areas of **risk management, corporate governance, customer relations, corporate culture, employee commitment and environmental protection.** Hg still sees potential in the transparency and diversity of our management. Meanwhile, Transporeon has significantly exceeded the minimum requirements in all the sub-areas examined.

Scores by category

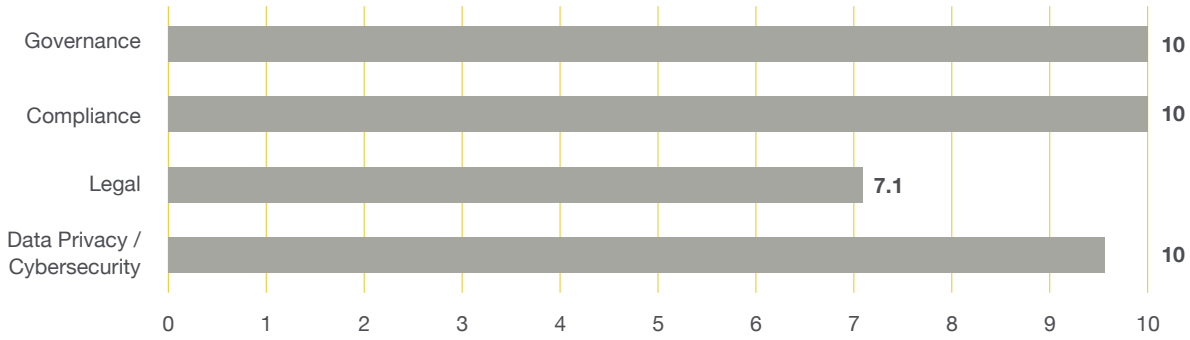


Transporeon achieved the highest values in **risk management, data protection and cyber security as well as in corporate culture and employee engagement.** The same applies to the treatment of the environment and social commitment at the respective locations.

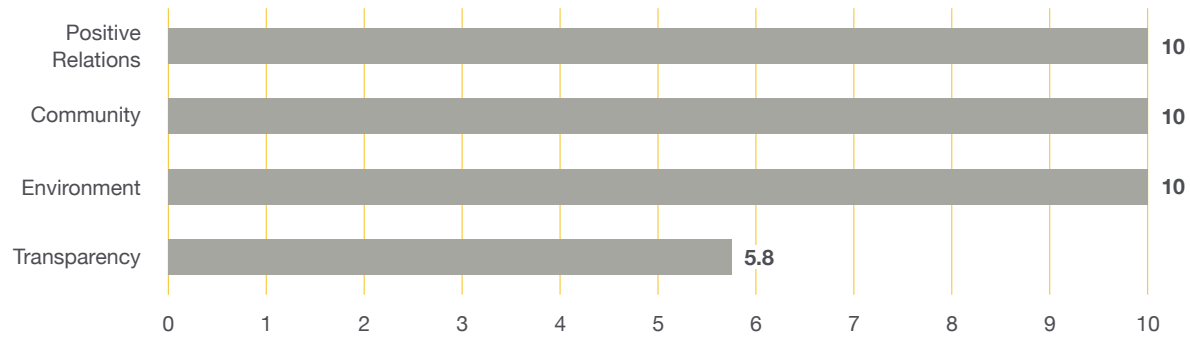
Employees



Essentials



Society



Especially in the benchmarks related to employees, we can clearly set ourselves apart from other companies in our industry. Our comparatively high proportion of women in management positions also contributes to this. Meanwhile, one in four managers at Transporeon is female – a positive anomaly compared to the wider logistics industry where the average is one in twenty. And from the point of view of employees, we achieve on average four stars across employer evaluation sites, compared to 3.5 for our industry as a whole.

Hg has made a commitment to its investors to invest in sustainable companies. Sustainable in several senses: **entrepreneurial, ecological and social.** The investment focus is therefore on knowledge-based companies whose products and services offer the opportunity to modernise relevant industries, to offer employees attractive jobs in the long term – and to conserve resources. Hg supports these companies in particular in the analysis of challenges arising from climate change and changing social expectations.

Despite the best values already achieved, the British investor still sees opportunities at Transporeon to improve sustainable action. For example, Hg recommends further increasing the share of green electricity and communicating more clearly how large the share of electric vehicles in the fleet is. In addition, the training of management in competition law should be consolidated and the proportion of women in management positions should be further increased. In the case of executives, Hg also suggests that we expand succession planning for key positions in the company.

The first-class ranking, but also the critical comments, **are an incentive for us to maintain our efforts.** And thus to further expand our position, which is already outstanding in comparison to the rest of the industry.

How we create value

Transporeon is in a key position in logistics – and has the opportunity to make the industry noticeably more efficient

Globalisation, and with it the rising levels of prosperity in large parts of the world, would not be conceivable without logistics. Only cost-effective transport opens up new markets for manufacturers and gives customers access to a wide range of goods. Logistics is one of the drivers of competition for the most efficient products at the best prices. It enables manufacturers and customers alike to become active in the most attractive markets for them.

Transport chains have long since spanned the entire globe, and although long haul container transport is highly optimised, and handling in the leading ports is partly autonomous, the logistics industry is falling behind others in terms of the extent of digitalisation achieved so far. This is especially true for short- and medium-haul road transport. The strong fragmentation of the industry contributes to this.

Our strength is our logistics know-how. Like hardly any competitor, we enable our customers to work more economically, from manufacturers, to distributors and freight forwarders. We enable some to get a better overview of existing capacities and prices as well as to book short-term transport services at lower costs, and others to make better use of their existing transport capacities, to reduce waiting times and empty journeys and thus, reduce capital expenditure.

The larger the number of participants on the Transporeon platform, the greater the benefit of each individual. Because with the size and growth of the platform, there are always new opportunities to optimise processes and thus increase the productivity of participants. **As a result, product quality increases more sustainably compared to smaller networks.** This is exactly what makes Transporeon successful. For example, the number of brokered transports increased by more than 52 percent in the period from 2017 to 2020 alone.

Our platform operates at the crucial points of logistics: coordination and order placement. We have the chance to change the industry in more than just an evolutionary way. We offer our clients the opportunity to stand out from the competition and generate growth in a market that is worth around 370 billion Euro alone (Road Transportation Market Europe EU30 in 2018, Fraunhofer SCS). The benefits of the information network we have created are beneficial for all participants and we're open for all new customers to come aboard.

The need to optimise logistics does not arise exclusively from competitive pressure. It is also due to climate change and the goal of achieving complete climate neutrality by the middle of the century. Thus, the emission of greenhouse gases is now priced. But we are only at the beginning. By 2025, the price per ton of CO2 emitted in Germany is expected to rise to 55 Euros. An increase of 120 percent compared to 2021. Empty runs are no longer a missed deal; rather, they are a cost item that can decide whether a company exists or leaves the market.

The goal of climate neutrality is also accompanied by a dramatic change in the industry. Vehicle manufacturers and freight forwarders in particular are challenged to switch to new drive technologies within a few years. The capital required for this, and the initial performance restrictions will be significant. **This once again puts the focus on optimising transport services – and gives Transporeon a key role.**

In this changing market with its growing challenges, we permanently deliver top performance through the outstanding know-how of our employees. It is the task of sustainable management to bind and develop these to Transporeon at an early stage. This is achieved by investing in talent and showing personal perspectives from initial placement. The importance of this task will continue to increase in the coming years – especially in the IT professions that are relevant to us.

Sustainable human resources development is reflected in a wide range of training and development opportunities, flexible arrangements for everyone to balance work and private life, community actions that promote cohesion, and leadership that is committed to respect and appreciation. The ideal scenario includes employees who are forward-looking and act on their own initiative.

The success of this sustainable human resources development is reflected in metrics that directly indicate employee satisfaction: **high score on employer rating portals, low number of days of absence.** In this way, we maintain knowledge in the company, create continuity and motivate each other to achieve top performance.



Transporeon in society

Our business is international and cross-border. Just like the global supply chains. And yet we have always seen ourselves as local players. **In France, in Poland, in the USA, in Germany.** Our employees represent the uniqueness of each community – and we immerse ourselves fully from the ground up. What once began at our founding headquarters in Ulm, Germany, we have long continued across all our international locations: the endeavour to be a good “Corporate Citizen” and to support local people who have earned every support from the bottom of their hearts. In 2020 alone, we donated more than 20,000 Euro to aid organisations and charity projects. And not only that.



Here are a few examples:

“Helping Hands”

What is more important: to support children spending their last days in hospital, making it easier for refugees to integrate - or strengthening the rescue service? At Transporeon, it is not management but the employees who **decide which 10 charitable associations and initiatives we’ll support each year as part of the annual “Helping Hands” campaign.** On average we achieve more than 75% participation in the annual employee survey to direct the campaign. In 2020, the first three places were won by the Valentina Foundation / Foundation Valentina Puchaty Patrol (Fluffy Squad) and the Amici di Occhistorti OdV.

Bone marrow donation

Every 27 seconds, a person worldwide receives a devastating diagnosis: blood cancer. It is one of the most dangerous types of cancer. Many of those acutely affected cannot survive without a donation of stem cells. This is especially true for children. For patients, the search for a matching bone marrow donor is always a race against time. Transporeon actively encourages employees to register with a blood sample in the stem cell registry of the international DKMS (formerly: German Bone Marrow Donor Registry) with the aim to give leukaemia patients greater hope of survival. **Transporeon bears all costs incurred in the process.**

“Big Rock for Small Hearts”

Children with heart disease are a medical challenge. Most recently, Transporeon was the **main sponsor of a benefit concert for the cardiology department of the University Children’s Hospital in Krakow**. In the extraordinary setting of the Slowacki Theatre, three Polish rock stars Mateusz Ziólko, Damian Ukeje and Marek Piekarczyk warmed up an enthusiastic audience. The clinic benefited from proceeds amounting to 6,650 Euros. It will use the money to purchase additional medical equipment.

“Books for Hospitals”

Hospital stays are rarely a positive experience, no matter your age. Books offer a source of distraction, and entertainment - as well as support in these challenging situations. Transporeon employees in Krakow collect used books every year, which they donate to hospitals in the city and its surroundings. **Up to a dozen boxes of novels, detective stories, picture stories and non-fiction books are collected regularly.**

”Krwiobieg”

The Polish word “Krwiobieg” means: to run in circles. Translated, however, it also means “blood circulation”. The annual “cycle” in Krakow takes this literally and raises money for the local blood donation service. **The aim is to encourage volunteers to donate blood and promote a healthy lifestyle through running regularly.** The run is divided into four levels of difficulty: children, seniors and two performance classes for adults. While the participants complete the 10km course around the city, spectators can donate blood at mobile Polish Red Cross stations.

How we manage Risk

The economic and working world is becoming increasingly complex. And with it, the risks of corporate governance are increasing: the risk of breaking legal rules, violating data protection, restricting competition, endangering the safety and health of employees, discriminating against people – or succumbing to bribery. Countering these risks is not a task that is limited to the management of Transporeon. Rather, we have set ourselves guidelines that apply to all employees. They are the daily, ethically binding guidelines in our actions and decisions. In this way, we ensure a high degree of integrity, and protect our economic success.

This is what distinguishes our corporate governance:

Code of Conduct

With our platform, we are at a relevant interface between supply and demand in logistics. In doing so, we assume direct responsibility for the business and economic success of our customers. We face up to this responsibility and want to live up to it with a detailed “Code of Conduct”. It describes our handling of legal rules in all parts of the world, our commitment to free competition, the efforts we make to protect data and the operation of the platform, and the prohibition of any form of taking advantage. It also sets out important rules to protect health and safety at work and to prevent discrimination of any kind.

Our Code of Conduct is available publicly here:

<https://www.transporeon.com/en/company/about-us#codeofconduct>

Comprehensive risk management

Risks are not one-off events limited in time. Risks are systematic dangers that are of a permanent nature. They must not be met with short-term measures, but with permanent structures. Transporeon addresses risks in all areas of its business with comprehensive risk management. It consists of three core elements: a risk database as a tool for management at the C-level, risk analyses repeated every six months in all business areas, and the clear allocation of responsibility for identified risks to specific personnel.

We follow international ISO standards (ISO 27001) and the “ISMS Risk Register & Treatment Plan” when identifying and recording risks. They define the processes and steps, how risks are identified, described and how they are addressed. This is complemented by internal risk levels determined by Transporeon management. Both have been fully implemented with us since late summer 2019. We have also defined who is to be informed about risks that have arisen and when a new review is to take place. Overall responsibility for risk management is assumed by the Chief Compliance Officer.

Covid-19

The global Covid19 pandemic is not only a health challenge, it is also an operational risk. As an employer, we have a duty to protect the health of our employees and to identify and minimise risks. A company-wide risk analysis was performed in spring 2020 as an immediate response to the onset of the global crisis. As far as possible, we enabled employees to work from home, took measures to minimise infection levels in business premises and provided extensive information. We continue to work with medical experts to advise on further measures. At the time of writing this report, two-thirds of our employees are remote/home-based.

Robust IT infrastructure

The availability of our cloud platform is critical to the success of Transporeon customers. Our main computers are located in the certified Interxion data centre in Frankfurt - and we have an identical, synchronised backup system in Düsseldorf. This architecture offers the highest availability of services and protects our customers in the event of a crisis that could lead to loss of data and revenue, such as in the event of fire or water damage. Transporeon relies on certified branded hardware for its servers and has concluded corresponding service level agreements with the manufacturers. Through the Akamai Content Delivery Network, we ensure short response times in all parts of the world - with a processing capacity of more than 1,000 requests per second. As one of the first e-logistics providers, we have been ISO/IEC 27001 certified for secure IT operation since January 2019.

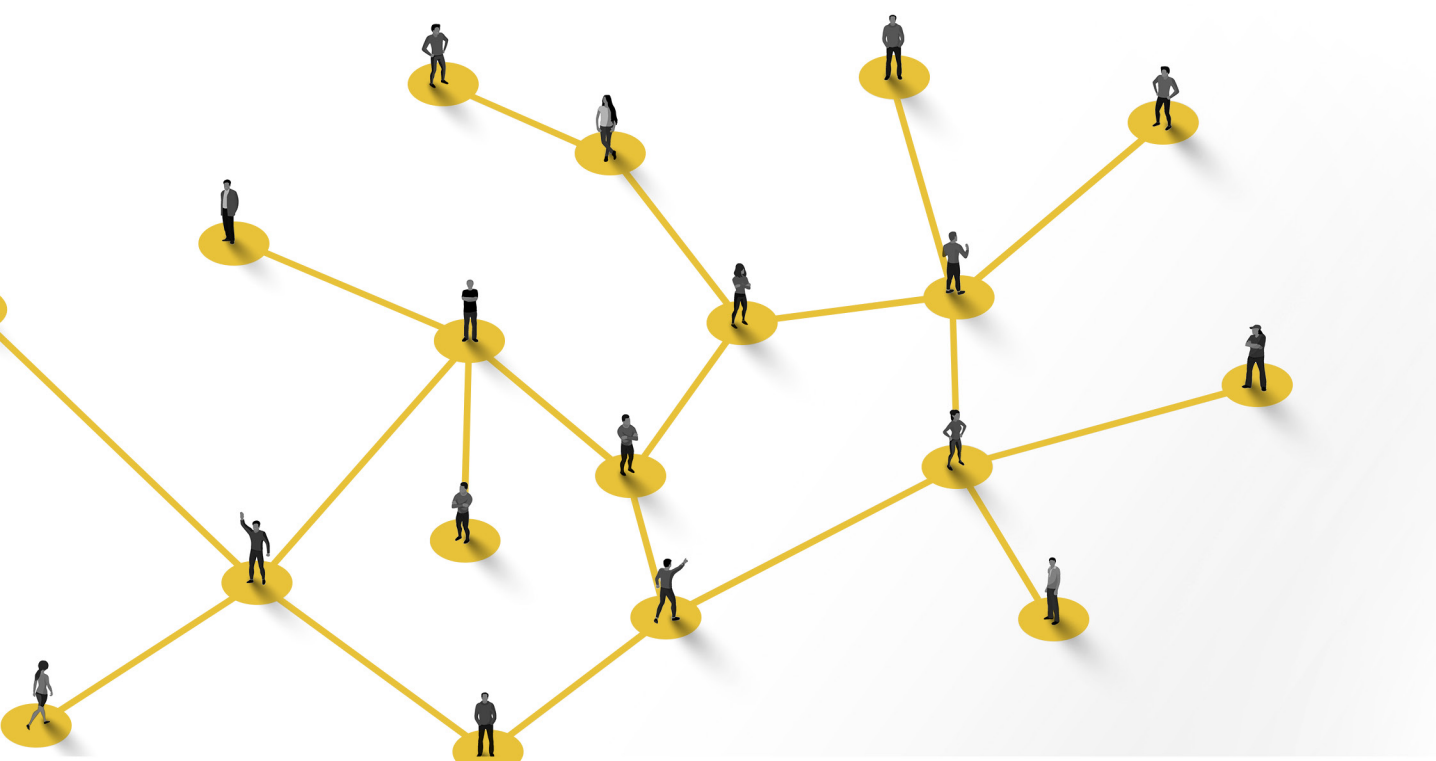
For safe operation, we follow a comprehensive safety protocol. This includes a review of employees and external service providers, contains plans for the event of a crisis to ensure continued operation, describes the protocol obligations and specifies precise rules on how to act in the event of identified problems. Our employees are regularly trained to identify, report and eliminate potential security risks. In addition, we regularly create and update IT-specific risk analyses and carry out internal audits. Our customers ratify results with their own penetration tests or hire external specialists to examine our security and availability levels. Here we achieve top marks.

Consistent data protection

Data protection is one of our core tasks in operating the cloud platform, both the protection of competitively relevant corporate data and personal data. Transporeon fulfils all requirements of the EU Data Protection Directive (GDPR) as well as the supplementary regulations of the Federal Data Protection Act and the Telemedia Act. We have developed a detailed catalogue of measures, divided into 10 chapters, on how we process and protect data. It obliges Transporeon to qualify and sensitise its employees and to log access to data in a comprehensible manner. In addition, it describes the adjustments in the contracts with customers, contains a concept for the deletion of data, regulates the handling of violations of data protection and specifies how information and change requests are to be handled. These rules and the level of data protection achieved are regularly checked in external audits.

How we behave as an employer

People are the most important asset for Transporeon. Without them, without their skills and their ideas, the company could not sustainably achieve its goals. Dealing with them fairly, trusting them and promoting them are therefore among the most important guidelines of our personnel practice. With the appointment of the first “Chief HR Officer” in 2020, we have underlined this once again. At least twice a year, we conduct structured employee interviews where we encourage two-way feedback, set quantitative and qualitative goals and review the contribution of each individual to company performance. In addition, we develop career development plans where we create spaces for a structured, productive exchange to ensure talent is retained in the long term.



Other examples include:

Learning and Development

The software industry has short innovation cycles. IT development is correspondingly challenging. Transporeon provides extensive support to its employees to deepen their professional knowledge and to keep it up-to-date, as well as strengthening cross-functional skills. These include language development, time management and presentation skills. For several years, we have been offering an extensive training programme as part of the “Skills Academy”. This is developed in close coordination between specialist departments and Human Resources. In this way, we ensure the quality and the relevance of the topics that are important to Transporeon. Since 2019, we significantly expanded the range of training and development opportunities - based on feedback from an employee opinion survey. As a result, all employees now have unlimited access to thousands of courses suited to all levels from different providers on the Coursera learning platform.

Corporate values and leadership

Values are the framework in which we act. We are convinced that without this guiding framework, entrepreneurial success cannot be secured in the long term. Transporeon has therefore set itself five values: **Our values are WE TRANSFORM, WE MAKE IT HAPPEN, WE UNITE, WE ARE FORCE MULTIPLIERS, WE TRUST.** These values should not be understood as an abstract requirement, but should be lived out across the board and motivate us every day. To help embed these five values, Transporeon has appointed 13 ambassadors across its sites to demonstrate and promote each one in their daily work. The values are fully endorsed by the entire management team to complement their additional leadership guidelines.

Internal Communication

Informed employees are more satisfied – working more effectively when they feel connected and informed. In 2018, we launched the “One Team Communication” initiative. The purpose is to intensify the flow of information about the goals and values of the company. Its cornerstones are: three “Townhall” meetings per year, monthly face-to-face meetings between team leaders and employees, and ongoing updates via the intranet. An in-house editorial team also improves the flow of information between specialist departments and the Communications function. It encourages and helps employees to identify relevant professional issues in their area and to publish them on the intranet. **This enables Transporeon to create a broad flow of information that helps to improve the interaction between all departments.** In addition, we offer colleagues a regular live format as part of “Buns & Projects”, where they can provide updates about important projects and encourage each other.

Retirement Provisions

The pension system in Germany and in many other European countries is based on pay-as-you-go financing: active employees pay today’s pensioners with their contributions. However, with demographic change, the system is becoming increasingly unbalanced. Transporeon therefore supports its employees in providing private pensions and compensating for any gaps in the state pension. Starting in 2019, the support system has been redesigned and **Transporeon has paid a considerable subsidy on its employees’ contributions to private pension plans.** These do not have to be classic pension insurance policies. Accident and occupational disability insurance is also supported.

Dealing with the environment

Germany is to be climate-neutral by 2045 – and Europe by 2050. This is a challenging goal that requires increased action by two main sectors: construction and transport. The construction and operation of buildings accounts for about 40 percent of greenhouse emissions in Germany, while traffic accounts for about 26 percent. The trend is rising in both cases. For both sectors, however, there are currently no climate-friendly methods and technologies available that can be used on a broad scale without lowering the level of prosperity. In the short and medium term, only efficiency gains can reduce CO2 emissions. Transporeon provides the logistics sector with the necessary tools for this - and has been making intensive efforts internally for years to reduce our own carbon footprint. Since September 2019, we have been measuring the CO2 impact of our buildings, heating systems, vehicle fleet, business trips, consumables and events with external support (see table).



C L I M A T E

NEUTRALITY

Other examples of our environmental efforts:

Carbon Footprint Calculator

A chosen transport route not only affects the costs and the time to be calculated it also determines the amount of related CO2emissions. These can be calculated easily on the Transporeon platform using: the destination and starting point, the average consumption per 100km and the share of biofuel in the total diesel consumption. In cooperation with PTV, the route specialist from Karlsruhe, the Carbon Footprint Calculator then determines the emission of greenhouse gases and displays them directly next to the transport order. The calculation fully complies with the CEN standard EN 16258. This provides transparency for customers and freight forwarders, making it easy to plan alternative routes and optimise both emissions and costs.

Building management and new construction

Construction and operation of buildings contribute more to climate change than transport. Investments in sustainability are particularly effective due to the long service life of buildings. Transporeon therefore places particular emphasis to energy-saving business premises - whether owned or rented. For years, we have been replacing conventional locations with offices that significantly reduce heating costs. In 2017, employees in Paris moved into new workplaces in the modern office complex “La Défense”. In 2019, we moved into our new office building in Krakow. With the LEED certificate for environmentally friendly and energy-saving design, it sets completely new standards. In 2022 the team at the Ulm headquarters will move to a new building that meets the highest standards of sustainability, significantly improving the energy balance.

Own vehicle fleet

Transporeon's own fleet comprises 85 vehicles, ten of which belong to a pool that is available for all business trips. Although the network of charging points in Europe remains patchy, 10% of the vehicles are already exclusively battery-powered. Two more are hybrid vehicles. All our cars are less than three years old and all of them meet the respective highest exhaust emission standard. All vehicles are thoroughly maintained as part of a strict regimen to ensure a technically perfect condition. Some of the cars are diesel for which we undertake careful driving style monitoring. With additional driver training at the Ulm, Kempten and Krakow locations, external experts help our employees to understand how they can further reduce the burden on the environment by driving with foresight and using energy-saving techniques - even when driving their private cars.

Business trips

Travel is a burden for both employees and the environment. This is especially true for long journeys by plane. In 2019, in consultation with employees, Transporeon introduced new travel guidelines including using video conference systems with large screens for meetings, especially for those between Transporeon's own locations to proactively reduce the need for business travel. Where travel is unavoidable, for example to visit customers, trains are the preferred means of transport. To encourage travel by train, Transporeon purchased cost-saving "Bahncards" in Germany, which are also available to our employees for private trips. Vehicles in our fleet are to be better utilised. We have also introduced a new travel management system that allows us to see more easily and clearly how our travel activity is developing - in order to be able to take countermeasures.

Job bike

Even at Transporeon, a large proportion of employees in Germany still drive to work in their own cars. By participating in the job bike programme, we want to motivate them to switch to an environmentally friendly and health-promoting alternative. With the job bike programme, our employees can lease a bike of their choice for 36 months - and then decide whether they want to keep it for a final payment or return it. Transporeon pays part of the monthly leasing instalments, which are deducted from the employee's salary with tax benefits. To date, more than 40 employees have purchased a bicycle through the programme.

"No Plastics" initiative

Water is healthy. Its packaging and transport, on the other hand, rarely are. Plastic bottles require crude oil and pollute the waters, while glass bottles consume considerable energy during production, cleaning and transport. Analyses, which also take into account the resource consumption of the packaging, show that tap water is the best alternative. In its "No Plastics" initiative, Transporeon has banned bottled mineral water in the company, set up water dispensers at all locations and issued reusable bottles for individual use free of charge. In this way, we save on the production, transport and recycling of around 33,500 PET bottles per year.



Alliance for Sustainable Transportation

In line with government targets, we aim to achieve zero-emission logistics by 2050. To this end, we have joined forces with research institutions, vehicle manufacturers and retail groups in the ALICE initiative, the “Alliance for Logistics Innovation through Collaboration in Europe” (website: www.etp-logistics.eu). Together we are working on new concepts for the transport industry including how to better manage the growth in transport performance expected in the coming decades, how to better combine across system boundaries, how to share existing fleets and to increase energy efficiency. Particular focus will be on open systems, in which assets and resources are used by several players to help accelerate the transition to emission-free logistics.

