



SUSTAINABILITY REPORT

2019

Jetpak Top Holding AB (publ)

Org. nr 559081-5337

Disclaimer:

Please note that this document is a translation of the Swedish original.

If any discrepancies should occur between the versions, the Swedish original shall prevail.

Sustainability

Business process

Jetpak Top Holding AB is the simplest and fastest alternative for priority door-to-door deliveries. We offer solutions for both spontaneous transport needs and tailored logistics. Jetpak operates primarily within the courier, express and parcel logistic business niche (the so-called CEP market), and the company's operations are mainly divided into an Express Ad-hoc and Express Systemized segment.

Jetpak is represented in more than 170 locations around the Nordic region and Europe. Jetpak has a unique and flexible customer offering based on the availability of up to 4,000 daily flights plus an extensive distribution network with approximately 700 courier vehicles. This is something that makes it possible to deliver the fastest and most comprehensive same-day service in the segment within the time frame 0-12 hours. This can be further supplemented with a unique tailored next-day service for systematic transports.

The Jetpak business process is built around a common core business process with a network of franchisees, subcontractors and partners. Input to the business process comes from customers, owners and other external stakeholders.

The business process consists of a management process, the main process, which includes both a commercial and production process, plus support functions. The support functions consist of finance, IT, HR and procurement.

Environment

Impacts and risks

Jetpak's environmental and climate impact stems primarily from the vehicle fleet, which until now has primarily been powered by diesel.

Diesel emissions have been identified as a risk in Jetpak's transport process. The consequence for sustainable development is a contribution to an increased greenhouse effect and global warming.

Additional risks are changing legal and customer requirements. Customers' environmental requirements is a risk identified within Jetpak's commercial process. Possible consequences for Jetpak are the need for new vehicles and the loss of customers and business.

Jetpak handles all sustainability-related risks primarily within the framework of the company's risk management process and stakeholder analysis.

Approach and goals

Jetpak has a policy for quality and the environment that states that "We must be environmentally conscious, improve our processes and listen to the wishes and requests from customers, partners and employees".

Environmental adaptation is a given part of Jetpak's business and operations. Anyone who sends packages with us receives a carbon dioxide declaration for each shipment.

We have environmental requirements stating that our franchisees' cars must have a maximum age, based on vehicle type and also to measure fuel consumption in all vehicles.

Internally, we reduce the environmental impact, for example by using green electricity, reducing the number of business trips through on-line meetings instead plus using environmentally classified company cars. The rapid technical development of environmentally friendly transport vehicles possesses an opportunity for Jetpak to increase the use of electrified transport vehicles. The increased availability of fossil-free fuel increases Jetpak's ability to broaden its use.

Jetpak aims to reduce carbon dioxide emissions and to replace transport vehicles when they are 3 - 8 years old (depending on the vehicle type).

The carbon dioxide target has been specified from 2019, see below.

Efforts and results

Emissions

During 2019, the average carbon dioxide emissions amounted to 4.42 grams / shipment, which is a decrease of 4.9 percent compared with the 4.65 grams / shipment the previous year.

The reduction in emissions is a result of cars being replaced during the year, higher efficiency within the utilized suppliers' aircraft fleet plus an increased use of fossil-free fuel.

Vehicles

At the end of the year, about 86 percent of Jetpak's vehicle fleet was in accordance with the company's goal, i.e. that transport vehicles are changed at the age of 3- 8 years, depending on the type of vehicle. Longer depreciation periods, especially for trucks and other heavier vehicle types plus vehicles that drive short distances annually and thus last longer, have a negative effect on the measurement figure towards the target of 100%.

The time for changing transport vehicles is regulated in Jetpak's agreement with our franchisees.

In 2019, Jetpak conducted thorough fully electric vehicle tests in various regions in Sweden. The tests have been carried out together with customers in specific business situations. The electric vehicles have been tested for deliveries primarily within metropolitan regions and their surrounding areas. During the year, there has been a major boost in vehicle development, where manufacturers start to offer heavier transport vehicle models with longer ranges. The current technical level is deemed to be able to offer opportunities for efficient logistic solutions under certain conditions.

The use of fossil-free fuel alternatives in Jetpak transport vehicles has increased significantly during the year when specific customer flows are run entirely on fossil-free fuel. A further broadening of the use is currently under investigation in order to be able to increase the pace towards our set environmental goals.

Next steps

The emissions target has been specified: Jetpak will reduce carbon dioxide emissions by 20 percent between 2018 and 2022. The target regarding the age of the vehicle fleet remains.

Ongoing customer dialogues regarding electrified vehicles will be completed and hopefully lead to an increased share of electrified vehicles within the vehicle fleet.

Jetpak also aims to increase the number of supplier follow-ups during 2020 - to ensure that Jetpak's environmental requirements are complied with in the entire value chain.

There is an action plan to re-certify Jetpak's environmental management system in accordance with the ISO standard 14001: 2015 for all Jetpak companies and to also include the new companies that have been added to the Group.

Jetpak will also do significantly more, in order to better meet customers' environmental requirements and to increase preparedness for future changes in legislation. The company continues its evaluation of environmentally friendly transport alternatives and fuels.

Co-workers and social conditions

Impact and risks

The Jetpak Group has around 220 employees in Sweden, Norway, Denmark, Finland and Belgium. The employees work in the main functions Production and Commercial as well as in business development, procurement, IT, finance and HR. Jetpak's network consists of franchisees and subcontractors for most of the courier and logistics operations. This means that franchisees and drivers are not among Jetpak's employees. They however form an important part of Jetpak's value chain and Jetpak works closely with franchisees.

Jetpak has identified discrimination as a risk and the risk of not otherwise living up to the demands that employees, partners and society may lay on us as a company. Additional identified risks are lack of leadership and motivation as well as work environment risks in aviation operations. Consequences of these risks may be that Jetpak loses employees, partners and customers.

Approach and goals

Co-workers

We believe that every Jetpak employee's efforts are crucial for the company to achieve the goals of long-term profitability and competitiveness. We must engage the right employees and develop them and their skills. The corporate culture is characterized by simplicity and commitment.

Jetpak has a code of conduct and discrimination policy. Here it is stated, among other things, that Jetpak has zero tolerance for discrimination. Every employee has the right to be treated and judged based on competence, achievements and ambitions. No one should be discriminated, regardless if it relates to gender, transgender identity or expression, ethnicity, religion or other beliefs, disability, sexual orientation, age or other irrelevant factors. Everyone within Jetpak, and especially managers, has a responsibility for equal treatment in the company. Deviations from Jetpak's policies must be reported to the immediate manager or to the company's HR manager.

An important priority is that employees should feel that they are participating in the development of the business and that there is a personal incentive. Our employee survey follows up on leadership, human capital and organization.

Jetpak has targeted these areas:

- Leadership index: 80
- Motivation index: 70

By developing in these areas, we increase employee satisfaction and the value we together create for customers.

With the aim to minimize work environment risks and safeguard safety in aviation operations, employees undergo regular training and tests. This area is regulated and Jetpak is being revised by the Swedish Civil Aviation Authority. Jetpak also conducts its own security audits at franchise partners and subcontractors at airports.

Community involvement

Jetpak's community involvement is primarily about offering work experience and jobs. We turn to young people, newly arrived immigrants and others who have difficulty establishing themselves in the labor market.

Jetpak is also a sponsor company for the children's rights organization PLAN International Sweden.

Efforts and results

Co-workers

Jetpak works continuously with gender equality and diversity. We include gender equality as part of our annual employee survey and highlight gender equality as an important part in creating value for our employees.

In our latest salary survey, which included all salaries for people employed in the Nordic region, it was found that Jetpak has no unreasonable differences in salary between women and men.

Both our leadership and motivation indexes in our employee survey have improved compared with the previous year's results. Our initiatives to raise the level involvement by becoming better at informing in time about changes that affect the organization plus involving employees in the company's and the individual department's plans and goals to achieve our strategy has yielded results.

We also exceed our set goal for leadership index.

Response rate: 80% (2018: 81%)

Leadership Index: 82 (2018: 79)

Motivation index: 69 (2018: 68)

Our sickness rate shows a healthy level and good health in the organization.

Accumulated in 2019, the sickness rate was 3.4% (short-term sickness absence 1.5%, long-term sickness absence 1.9%)

Staff turnover in 2019 amounted to 25%, of which 6% was due to the move of Jetpak's head office from Solna to Arlanda, which was decided in 2019 and carried out by the end of the year.

We have no absences reported due to. of work injury.

Gender distribution during the year was 32% women, of which 14% held a managerial position.

Community involvement

Jetpak contributes to the integration. We do this by offering work training, internships and employment. We turn to people with less favorable conditions; young people, new arrivals and people who have been out of the labor market for a long time. The initiatives take place in collaboration with, among others, the Swedish Public Employment Service and colleges and universities.

During the year, two people practiced with us as part of a training in purchasing and logistics and one of them was offered employment.

Next step

In 2020, we will continue our work with the Code of Conduct and our commandments for leaders, which we started in 2018. Jetpak will also continue to contribute to integration through jobs, to the extent our operations and capacity allow.

Human rights

There is a risk that Jetpak will contribute to and / or be associated with human rights violations, primarily by our partners deviating from current laws and standards in the areas of employees' and / or human rights. The risk is thus at the supplier level (in Jetpak's transport process) and is managed within the framework of our supplier work (Jetpak's employees' rights are handled within the framework of the company's HR work). Violations of human rights can have the consequence for Jetpak that we lose partners and customers.

In 2020, we are planning work ahead of signing the UN Global Compact. Although we already comply with the principles therein, we will do a more thorough work within the ten principles.

Consequences that these risks may cause Jetpak to lose partners and customers.

Anti-corruption work

Impact and risks

Jetpak has identified the following major risks of corruption and irregularities; unauthorized transactions or services as well as improper gifts and other benefits.

When the Jetpak share was listed on the Nasdaq First North Premier Growth Market at the end of 2018, we also identified a risk regarding insider trading.

Corruption crimes, unauthorized transactions and insider crimes can have the consequence that Jetpak loses revenue, reputation and partners.

Approach and efforts

Jetpak prevents unauthorized transactions by processing and approving each transaction by two people. This is regulated in Jetpak's financial guidelines and through the current authorization policy.

A clarification of the anti-corruption policy will be formulated in 2020, and in line with the expansion of Jetpak, there will also be a more detailed sanction policy, in order to ensure that the other party is not sanctioned or exists in a sanctioned country.

Jetpak has clear rules on what financial information goes out to employees within the company, in order to minimize the risk of improper trading of shares.

Jetpak performs background checks on necessary roles within the company.

A whistleblowing system is planned to be implemented during 2020.

Jetpak's purchasing policy regulates representation; it must be motivated and modest. Gifts above SEK 500 are not allowed. Anyone who is unsure of current rules and their application should consult the closest manager. Each manager is responsible for communicating applicable anti-corruption rules to his employees. The purchasing policy is reviewed and communicated to employees at least once a year. In 2019, no deviations from the above-mentioned rules emerged.

The efforts and follow-up, in order to maintain good business ethics within Jetpak will continue in 2020.

2019

Stockholm, the 14th of May 2020

John Dueholm, Chairman of the Board

Shaun Heelan, Board member

Lone Møller Olsen, Board member

Christian Høy, Board member

Bjarne Warmboe, Board member /
employee representative

Morten Werme, Board member /
employee representative

Kenneth Marx, Chief Executive Officer

**The Auditor's statement regarding the legally mandatory sustainability report**

To the Annual General Meeting in Jetpak Top Holding (publ), organizational number 559081-5337

Assignment and responsibility

It is the board of directors who are responsible that the 2019 sustainability report is in line with the Annual Accounts Act

The approach and scope of the review

Our review has been carried out in line with the FAR recommendation RevR 12 *The Auditor's statement regarding the legally mandatory sustainability report*. This means that our review of the sustainability report has a different approach and a significantly reduced scope, in comparison with the approach and scope of an audit carried out in line with the *International Standards on Auditing and Swedish Good auditing practice*. We consider our view as sufficient to base our statement on.

Statement

A sustainability report has been produced.

Stockholm, May 14, 2020

Alexandros Kouvatsos
Chartered Accountant (Sw.)