

Sustainability report 2022



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The important sustainability work

Connect Bus offers efficient public transport so that more people can travel to work, school and leisure activities together. A well-developed public transport is a basic prerequisite for achieving a sustainable society. Through our mission, we are an important actor on that journey. On the following pages, you will have the opportunity to take part in the results of our sustainability work in 2022.

This report has been prepared by the main parent company CCK Holdings AB, registration number 559289-0593, and has been prepared in accordance with ÅRL's requirements. The report has been approved by the board. The report also covers the activities of the group's operating companies:

Connect Bus Holding AB, org.nr. 559136-0135 Connect Bus Sandarna AB, org.nr. 556493-1177 Connect Bus Söne AB, org.nr. 556348-8773 Connect Bus Sverige AB, org.nr. 556857-7281 Lidköpings Fordonsdepå AB, org.nr. 559077-9517 Söne Trafik AB, org.nr. 556082-9813 KarlssonBuss i Vaggeryd AB, org.nr. 556402-2324 Sven Carlssons Trafik AB, org.nr. 556114-3024 Moheda Buss AB, org.nr. 556261-7588 Grimslövsbuss AB, org.nr. 556143-1999 Karlssons Fastigheter i Vaggeryd AB, org.nr. 556095-7986 Söne Fastighet Mariestad AB, org nr. 556095-7986 The report presents the sustainability issues that are most essential for the group based on the expectations that exist from the company's stakeholders and based on the economic, social and environmental impact that the company has.

Our partners must always feel secure that we comply with laws, regulations and requirements set in our agreements. Our customers must feel that we work actively to make every trip a positive experience.

We work in partnership with several of our current clients with the overall goal of creating benefits for public transport customers and developing the contracted traffic.



Our employees

Our employees are the most important source for reaching the common goals for each traffic commitment as well as the overall goals for the traffic regarding satisfied customers, reduced environmental impact and cost efficiency. Connect therefore strives to create an equal and engaging organization for our employees, where employees should feel professional pride and want to contribute their skills and ideas to the development of traffic. We want all our employees to feel good. By taking advantage of the expertise we have and by enabling all employees to contribute, we create the conditions for reaching our sustainability goals together.

About Connect Bus

Connect operates scheduled traffic, flexible line traffic, school shuttle traffic and service journeys for transport service and national transport service. We also run commercial express bus services and sell workshop services. Connect is part of the Connect Bus Group, which during 2022 operated traffic with a total of approximately 1,100 vehicles together with approximately 1,800 employees spread over approximately 40 depots in Sweden.

Since 2021, the Connect Bus Group is 100% owned by CBRE Investment.



CBRE Investment Management

The cornerstones of CBRE's operations are strongly based on commitment in a number of areas – around passengers and employees but also around the transition to emission-free buses and the use of digitization in public transport. During 2022, we have continued the green transformation of the Connect Bus fleet.



Transition is underway towards a fossil-free vehicle fleet

A long-term environmental goal for Connect is for all our new vehicles to run on renewable fuels – 100% of the scheduled traffic already does so today.

More electric vehicles

During 2022, work continued towards a fossil-free vehicle fleet. For example, a new agreement was started together with the city of Gothenburg, which included 80 new electric vehicles. Another new agreement was also signed with Västtrafik, which includes 42 new electric buses.

Eco-labelled electricity

We use electricity labeled Good Environmental Choice as much as possible. The electricity we then use comes from environmentally friendly alternatives such as water and wind power. We strive to be able to use environmentally friendly alternatives in more of our agreements in the future.

Green Gas

Our GAS vehicles are fueled with 100% eco-labelled biogas from OrangeGas. OrangeGas guarantees to supply the same amount of biogas to the network as you fill your vehicle with - the so-called "green gas principle".

Our gas energy mostly consists of methane. Chemically, methane gas is the same regardless of whether it comes as natural gas or biogas.

When customers choose to become BIO-CNG customers (formerly Grön100 agreement) and refuel with 100 percent biogas, we ensure that the same amount of biogas is fed into our gas network. Because, just as in the case of green electricity, what is important is not what you get in the plug or the tank on a single occasion, but that the proportion of renewable energy increases in the entire system.



As part of CBRE's commitment to the environment and sustainability, Connect will be evaluated in 2022 for the first time by GRESB (an international organization that evaluates and compares businesses' sustainability work from an investment perspective).

2022 was a trial year where we had the opportunity to review how our goals, metrics and at the same time test the follow-up opportunities we have in the organization to meet the criteria that the evaluation contains. We look forward to continuing to develop our sustainability work and seeing it measured using this benchmarking tool.

Process oriented and ISO certified operation

Connect Bus operation and management system are based on one core process (passenger transport), and a number of support processes. Environment, quality, road traffic safety, work environment and social sustainability are integrated in the processes. For each process there is a defined purpose, responsibility descriptions and a method description.

The business is certified according to ISO 14001:2015 regarding environment, ISO 9001:2015 regarding quality. During the year, preparatory work was carried out to ensure certification also for ISO 39001:2012 regarding road safety in the coming year (2023).

The organization also works in accordance with ISO 45001:2018 regarding work environment.

The purpose of the management systems is to in a structured and systematic way, ensure the fulfillment of our operational goals and to work for a sustainable way of working.

Governing documents

Connect Bus uses a number of governing documents in the area of sustainability;

Socially - employees must feel as good as possible, justice, equality and equal conditions must be secured both within the organization and in the supply chain (dealt with in the **Sustainability Policy** and in the **Work Environment Policy**)

Climate and environment – responsible and long-term action for a reduced climate footprint (addressed more specifically in the **Environmental Policy document**)

In addition to the aforementioned policies, the organization must consider and support the Connect Bus code of conduct. The Sustainability Policy and Code of Conduct also include Connects Bus's stance against corruption and how it is reflected and handled in the organization.

In addition to the governing documents with associated guidelines, we of course comply with the laws and regulations that apply while also fulfilling the requirements contained in our agreements with our clients and partners.





Social sustainability

Connect Bus' policy regarding social sustainability means that:

- forced labor or penal labor shall not occur
- cooperation with organizations that do not respect human rights shall not occur
- equal pay for equal work, meaning that fair compensation must be applied within the organization,
- discrimination, harassment or special treatment shall not be accepted or applied,
- child labor is not accepted at any stage in the production or consumption process,
- bribes, neither giving nor taking, are not accepted within the organization,
- at all times comply with applicable laws, regulations, collective agreements and applicable industry practices,

Risks

There are risks that individuals are treated offensively or harassed based on aspects related to gender, gender identity or expression, ethnic affiliation, religion or other beliefs, possible disabilities, sexual orientation or age. By working preventively in accordance with the company's equal treatment and equality plans, efforts are made to constantly increase awareness among employees. In addition, annual risk assessments are made in the company's own operations.

Anti-corruption

Giving or taking bribes within the Connect Bus organization is not accepted. It is also not permitted to give or receive any form of improper reward, regardless of the reward's purpose or size.

No form of coercion or similar action with the aim of achieving financial gain is permitted. Nor is it accepted to spread untrue or misleading information with the aim of discrediting others or to gain financial advantage from it.

Connect Bus shall not participate in any form of illegal activity. Nor shall the company participate through legal financial transactions in concealing or transferring either money, goods or other assets from criminal activities.

Risks

The following risks have been identified: Cartel formation or improper procurement procedures can have legal consequences and damage the Connect Bus brand. An employee who violates established policies and routines for personal gain can harm the company. We have no known cases in 2022.

To be an attractive bus company and an attractive employer



Our vision

Connect Bus's vision is to be an attractive bus company and an attractive employer.

For us, it's about being able to offer a wide range of sustainable transport solutions today and in the future. The best thing we can do is get more people to choose public transport and only use the car when you have to. The keywords for us in this work are service and hospitality. The goal is to get more and satisfied customers. We create an attractive workplace by working with our values where attitude and responsibility are important factors.



Connect Bus core values

Sustainability is a natural part of our business and corporate culture. Our values ensure that we actively and successfully take responsibility and run the business in a value-creating and sustainable way for all our stakeholders. The values are based on everyone's equal value and rights regardless of gender, cultural background, religious affiliation, age, ethnic affiliation, sexual orientation, gender identity and disability.

Within Connect Bus, we focus our core value work on three main areas, all of which are very important for the business and its staff: Connect Bus's values apply to all employees and are a central part of the ongoing work regardless of professional role, function and workplace.



Everyone who works on Connect Bus proceeds from the travelers needs!

Focused activities in sustainability work during 2022

Increase awareness of sustainability

In previous years, we have developed a value base for our sustainability work, which we call GRETA for short. In 2022, we have worked further to convey it in the business to raise awareness of sustainability among our employees. For the coming year, we plan to include the implementation of environmental and sustainability training in our operational goals to further raise awareness. The goals, including action plans to achieve them, are communicated throughout the organization via target boards. On the target board, all employees can follow how we are doing.



We protect the environment, from production to delivery and always strive to minimize our negative impact on nature.

We drive completely fossilfree and invest in a future with only electric vehicles. beyond our resources and we at Connect Bus want to do our part to reduce the impact. We use our resources wisely, which includes efficient use and long-term building and management of human, social and physical resources. (Economic) Using our resources wisely in turn contributes to economic sustainability. We work for inclusive and long-term sustainable economic growth.

Public transport also contributes to a sharp reduction in social economic costs We work for a safe and secure working environment by preventing and reducing accidents through, for example, risk assessments, safety rounds and training. Examples of preventive measures are employee talks and support from occupational health care if necessary. We also create security for our customers through safe and secure driving We take our responsibility for sustainable development by, for example, driving sparingly, reusing water in our washrooms, handling waste in an environmentally friendly way and reducing the use of chemicals containing dangerous substances. We also take responsibility for implementing the sustainability work of our employees and work actively to integrate it into our daily work.

Supplier evaluations and dialogue i the supply chain

As part of our work to increase awareness of sustainability, we now also include sustainability issues in our regular supplier evaluations and in the dialogue with our suppliers in connection with purchases.

We see in our traffic agreements that increased demands are placed on creating traceability and securing good working conditions in the supply chain. This entails several challenges and there is still a lot of work to be done - however, we are gradually moving towards further developing our processes and routines in such a way that it enables a more sustainable situation in more places than in our immediate surroundings. The work we carry out here also prepares us in a good way for the upcoming legislation in the area. We already see today the so-called "Openness Act" in Norway and corresponding legislation in the form of a "Transparency Act" expected in Sweden/EU in the not too distant future.

ISO certification for road traffic safety

During the year, work was carried out to acquire ISO certification regarding road traffic safety (39001:2012). Traffic safety has always been a focused area in the business, but an ISO certification always means transparency and quality assurance of working methods, routines and methods, which has now been implemented.

Digitized management of administration of chemicals

As a further step towards increased digitization, the I-Chemistry tool was introduced during the year for our chemical management in the business. It gives us a better overview of which chemicals are used, while it facilitates ensuring legal compliance and minimizes the risks associated with the use itself.

A constant work

It is easy to state that you are never done with your sustainability work – it is a commitment and a responsibility that requires constant attention and perseverance. With a systematic way of working and a continuous focus on improvements, we continue our sustainability work. In addition to our focused activities for 2022 that we mentioned above, we have also continued to work with our previous focus areas to ensure that we constantly care for:

- good service and good hospitality
- health, environment and safety

MARADAM

Service & hospitality



Good service and good treatment are important for the customer experience in order to retain and attract new customers. Our values are about customer focus, approach and responsibility. In our driver training courses, great emphasis is placed on service and hospitality. The outcome is followed up via customer feedback and (KNO/Ambaro/Flexbaro).

Connect Bus has quality and environmental certified the entire operation to ensure that we work with continuous improvements for increased customer benefit. We follow up punctuality and raise questions about how we can increase accessibility with our clients and the municipalities we operate in. Punctuality is an important parameter for satisfied customers. Satisfied customers (KNO) are measured by an external party in several of our agreements. In 2022, the measurements were carried out during Q2-Q4 for the scheduled traffic. For our passengers on the scheduled service, it is important to have a safe and secure journey, that the bus departs on time and that you receive information about disruptions along the route.

The images below show the results for punctuality, safety, attention and performed disturbance information.



For our Flexline traffic, the measurements are carried out by an external party (Flexbaro). The measurements were carried out throughout 2022. Travelers who travel with Flexlinjen place higher demands on personal service and treatment as travelers with special needs often travel with Flexlinjen. The driver helps these travelers to enable a safe and secure journey. Examples include help with luggage, help with seat belts, help with getting your ticket. To travel with Flexlinjen, the traveler must book their trip via Gothenburg City Traffic Office. The traveler is given an approximate time when the bus is expected to arrive at the specified meeting point. The booking is sent to the driver via a tablet. The driver confirms that the order has been received and then a more accurate collection time is sent to the traveler.

The image shows ratings for the driver's behavior.





The picture shows the punctuality of the Flexline.



For the travelers who travel with our service journeys, the driver's treatment is particularly important. Our drivers are ambassadors for the important work of providing good service and good treatment.

The picture on the left shows the rating for the driver's treatment.





Health and work environment

For Connect Bus, a good working environment means that we:

- have a safe and secure workplace
- works for equality with respect to men and women
- works for the number of employees to reflect society at large with respect to diversity
- have good leaders
- focuses on competence development

Successfully promoting a healthy and safe work environment is crucial to retaining and attracting employees. Our workplace should be experienced as developing and stimulating. Social and employee issues are strategically controlled by the respective site manager. The operational responsibility for the work environment follows our work environment delegation from the CEO to the site manager who is responsible for the work environment in his department. We attach great importance to systematic work environment work where we continuously evaluate and improve our efforts. This is done in close cooperation with management, employees, protection organization

We work systematically to prevent and reduce accidents through, for example, risk reporting, risk assessments, safety rounds and training. The work includes the physical work environment as well as the social and organizational one. We also work with preventive measures in the form of employee interviews, employee surveys, annual risk assessments, rehabilitation investigations in case of early signs. Occupational health care provides support if necessary.

We also carry out drug tests annually on 10% of the staff. If one of our drivers has been involved in an accident, we can enlist the help of occupational health care's behavioral scientist to support the person.



Digital employee survey

I am rarely or never worried about accidents and/or ill health in my daily work



Focus areas:

📎 Work environment

>>> Work management

Recognition
 Information
 Participation

Absence due to illness



Sick leave increased slightly in 2022 compared to the previous year. To a large extent, it can be linked to the restrictions and recommendations that applied regarding staying at home in case of symptoms of illness during the corona pandemic. We also see that there is generally a continued caution and a tendency to stay at home in case of symptoms of illness even after the restrictions have ended.

In order to counteract the rising numbers regarding sickness absence, we work continuously with preventive efforts aimed at ensuring good health among our employees by working for a good working environment and offering wellness grants.



Environment

Our environmental work is governed by our environmental policy and our environmental targets and metrics. By systematically working preventively to minimize risks of negative environmental impact, we work to ensure that our stakeholders feel safe and have a positive perception of us as a traffic operator.

Goals	Our approach	How?	Focus areas
Reduce the environ- mental impact of public transport	Work actively and syste- matically with environ- mental issues through governance and goals in accordance with our process-oriented way of working.	 Follow environmental requirements in our agre- ements ISO-certified environmen- tal management system Environmental policy Environmental goals Environmental legislation Environmental reporting Only environmentally app- roved chemical products 	 Choice of vehicle Choice of fuel Fuel-saving driving style Noise-eliminating driving style Continuous checks of heaters Energy mapping of depots and break rooms for reduced energy consumption Environmental requirements for our suppliers when purchasing services, spare parts, batteries and other materials

In combination with our continuous and systematic environmental work, we at Connect Bus are dedicated to reducing our negative environmental impact by, for example, actively working with frugal driving (reduced fuel consumption), responsible handling of hazardous waste, reuse of water in our washrooms, reduced proportion of fossil fuels and through increased knowledge regarding electric vehicles. The introduction of environmental stations, time-controlled electric ramps, fossil-free fuel are other examples of things that take place within the framework of our long-term sustainability work.



Environment

Economical driving - effects of "GRETA"

By also leveraging the data our buses generate every day, we reach insights that enable us to optimize planning, maintenance and reporting so we can better serve our customers, our passengers, our communities and our environment. In this way, we want to be a leading player in sustainability. For example, with the help of measurement data from the vehicles, we can see the effects that the efforts regarding frugal driving within the framework of GRETA have given us:



Management of hazardous waste

For us, it is important to handle hazardous waste in an environmentally friendly way (see picture). Our external supplier Nemax helps us keep track of the hazardous waste. They empty our bins and report quantities of waste and report to the Swedish Environmental Protection Agency. They also provide a portal where we can easily access all documents/protocols relating to our hazardous waste.

Cycle in the laundry hall

We use closed systems in our washrooms to minimize the use of clean water. The dirty water is cleaned in separate tanks to be reused.

We carry out annual water tests in our laundry halls. The result is sent to the respective municipality. We have no objections to values that are too high.



Safety

Connect Bus puts safety first. Our travelers must feel safe when they travel with us, regardless of whether it is with regular services, school services, order services or service trips. We work according to elaborate procedures that directly affect safety. Daily safety checks and monthly checks are carried out on our vehicles. Deficiencies discovered during the checks are documented in the Vehicle Control program. Shortcomings and deviations are documented with event, date, action, completion date, the error is closed by a qualified mechanic and information that this has been done is reported back to the person responsible for operations when the vehicle can be taken back into traffic.

LMU

The professional competences of our employees are checked daily via the BKY (authorization control) service. Alkolocks are installed in all our vehicles.

Connect Bus put safety first

As previously mentioned in the report, during 2022 we are also working on quality assurance of our work around road traffic safety. As a result, in 2023 we will also be ISO certified within the framework of 39001:2012.



Risks

We work continuously with risk identification and analysis within the framework of our business system. Identified risks are investigated and remedied if necessary by designated persons responsible. For risks that affect health, the environment and safety, the work takes place in consultation with safety representatives.

Examples of risks in our focused areas:

Shortcomings in treatment

If we do not work to constantly protect and ensure good service and good treatment, we risk losing travelers, reputation, revenue and new business. Our values and what good treatment means are therefore included in our introductory training and are also a recurring topic in connection with staff meetings.

Threats and violence

We have identified threats and violence as the most serious risk to our drivers. A situation of threat and violence can arise, for example, when the driver has to check the customers ticket. We have routines for how to act in a situation of threat and violence, and the introductory training includes practical exercises on how to handle a situation of threat and violence.

Discomfort/ill-health that leads to sick leave

There is a risk that our employees do not thrive, become disengaged and that sick leave increases if we do not promote a good working environment. We therefore work with preventive measures (guidance information, wellness allowances, etc.) that aim to ensure a good working environment and contribute to good health among our employees. We also work on a broad front by participating in, for example, industry associations' various initiatives and forums that aim to increase the attractiveness of the bus driving profession as a whole.

Environmental spillage/leakage

We handle fuel and other chemicals at our depots and there is therefore a risk of spillage and leakage. In order to minimize this risk we have, during the year, identified a need to develop more depot-specific routines. The development work with more depot-specific risk analyzes around this will begin in the coming year.

A strongly growing company with big sustainability focus

In 2022, we have begun the journey in the creation of a large group with the opportunities it entails in the form of, for example, the exchange of experience, dedicated resources and a focus on sustainability. Of course, the increased size also means that we face challenges along the way. Previous ways of working and behavior patterns must be synchronized and function in a new shared reality. Our ever-increasing awareness and our joint learning about sustainability gives us the conditions to drive forward-looking development in the area. This means that we look forward to the coming years with confidence and anticipation.

We are on our way!