

FABER GROUP
SUSTAINABILITY REPORT

2023



CARRYING IMPACT

IT'S OUR AMBITION TO HAVE A POSITIVE IMPACT WITH OUR LOAD CARRIER POOLING SERVICES. WE BRING CIRCULARITY INTO LOGISTICS AND MAKE IT A SERVICE IN A SHARED ECONOMY.



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COLOPHON AND DISCLAIMER

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FULL YEAR FIGURES 2023

Net turnover
405 MILLION EURO

Load carrier movements
127 MILLION

Workforce
673 PERSONS (612 FTE)



Ecovadis Sustainability Rating
PLATINUM (81/100)



Lean and Green
TWO STAR EUROPEAN RATING (IPP)



Signatory to
UNITED NATIONS GLOBAL COMPACT



Accredited as
WORLD CLASS WORKPLACE



Ingrid Faber, CEO & Stan Peeters, CFO

FOREWORD INGRID FABER, CEO FABER GROUP

Sustainability as part of our daily practice

Herewith I present you with pride the second issue of the Faber Group Sustainability Report, which reports over the year 2023.

Compared to our first report in 2022 we can conclude that we have stable performance on all elements of our sustainability strategy, such as footprint and optimizing the lifespan of our load carriers. As we make most impact by increasing the usage of our circular load-carriers with existing and new customers to improve their sustainability performance, I'm glad to see we increased the volume of our load carrier movements compared to 2022.

To give further substance to the numbers and results in this report, we have added the results of the Life Cycle Analysis (LCA) for the main load carriers of all our operating divisions. This gives better insight in their footprint but also why our circular load-carriers provide a lower footprint compared to market alternatives. These LCA's have also been reviewed by external industry and LCA experts.

Our business strategy is centred around sustainability combined with digitalization and value growth. Each

element strengthens the other two, enabling us to further move ahead to our goal to become a 'net zero' company by 2045. To further strengthen our organization towards realizing these results we have hired a Chief Digital Officer and are currently expanding our Sustainability team. This will enable Faber Group to focus on execution of our sustainability & digitalisation initiatives in all our operating entities, making our purpose "carrying impact" even more part of our daily practice.

We have the ambition and all elements in place to make the next steps in our sustainability journey in 2024 and to report about it accordingly, also to be compliant with the upcoming CSRD (Corporate Sustainability Reporting Directive) legislation. This way, we are carrying impact.

Ingrid Faber
CEO Faber Group

CHAPTER 1: BUSINESS STRATEGY

Circularity is at the core of our business

Faber Group is an international family business specialised in circular load carrier services. Our group consists of several specialist pooling businesses (IPP, PAKi, PRS and vPOOL), and a sustainable timber supplier (Satim). We have a robust, agile, and sustainable network across Europe to streamline the supply chain. With a workforce of over 650 dedicated employees, we provide sustainable, reliable, cost-effective pooling services for pallets and boxes to all industries throughout Europe.

It's our ambition to have a positive impact with our logistic solutions for supply chains. We bring circularity into logistics and make it a service in a shared economy. Sustainability is part of our very DNA. Since our foundation in 1891, we strive to conduct our business in a responsible way; taking diligent care of resources and people has always been a main priority. We have an ambitious, groupwide sustainability program in place to further improve our sustainability performance.

Our 2023 financial results

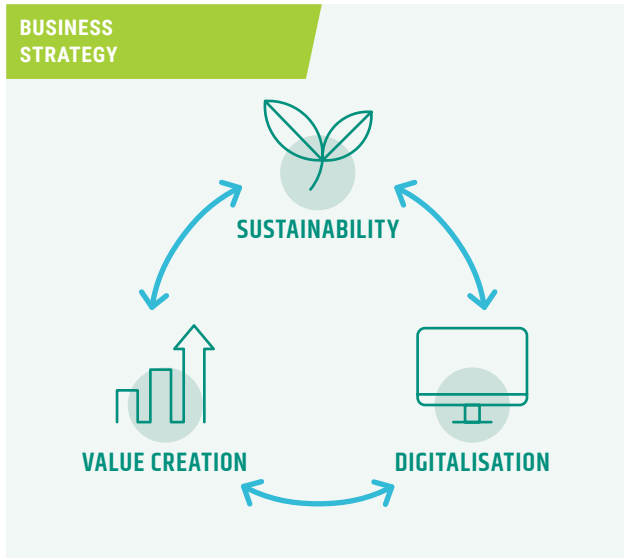
2023 has been a strong year for Faber Group, despite low economic growth in major European markets and a general trend to reduce inventory levels, both leading to lower volumes at existing customers. We have been able to overcome these challenges by new customer wins and improved efficiency of our operations. Faber Group achieved a net turnover of € 405 million in 2023, compared to € 425 million in 2022. This decrease is mostly price-related and follows lower input prices. Our total load carrier movements have grown with 2 million in 2023 to approximately 127 million, from 125 million in 2022. In 2023, the workforce consisted of 612 employees measured in full time equivalent (FTE), compared to 567 FTE in 2022. An increase that is explained by growth and further professionalisation of the organisation.

Key figures	2022	2023
Net turnover (million Euro)	425	405
Load carrier movements (million)	125	127
Workforce (FTE/headcount)	567/618	612/673

Our business strategy

At Faber Group, we strive for both sustainable growth and value creation, by balancing purpose and profit. The nature of our core business, providing circular load carriers on a pay-per-use basis, drives sustainability and profit at the same time: the more customers choose for our services, the more impact we create by improving their supply chains' sustainability. Simultaneously, we strive to optimise the sustainability of our own operations as well. Therefore, we have an ambitious ESG (Environmental, Social, Governance) strategy in place with the goal to become a 'net-zero' company by 2045.

A key enabler for both value creation and sustainability is digitalization of our business. We are currently digitizing the entire load-carrier transfer process in our supply chains, which will make pooling more paperless. It will also generate loads of data, to provide insights to customers and other users to make their supply chain more efficient and sustainable – such as optimizing transport routes and loads. We also made a start in deploying 'smart' load



carriers in our supply chain which provides near-real-time information about our load carriers. In a next stage this will enable end-users to monitor the whereabouts of their shipments and offer much more possibilities. This will support all stakeholders in further optimizing both their

logistic processes and achieving sustainability goals. We create sustainable value from both our current business and potential future acquisitions. In our current business we create this value by either geographic expansion or increasing our network density, in acquisitions by either building on our current platforms or on entering new business, always related to our purpose 'Carrying Impact.'

Our circular business model

Our circular business model provides load carriers, such as pallets and boxes, on a pay-per-use basis to customers in many industries throughout Europe. Instead of owning these assets, our customers can free up resources to invest in their core business. Core business of Faber Group is to make sure our load carriers are being used as often as possible. We optimise their lifespan by timely repairs and optimise our own operations by increasing efficiency and reducing the footprint of transport and handling in depots, for which we collaborate with specialised partners. Our IPP and PRS divisions provide closed pooling services, whilst PAKi and vPOOL provide open pooling.



CLOSED POOLING

In our closed pooling environment, load carriers are owned by IPP and PRS. IPP mainly collaborates with consumer goods producers throughout Europe, where PRS provides their load carriers to the European polymer industry. These customers use several types of load carriers on a pay-per use base, with various service level offerings. The load carriers are built to last for a long lifetime, using FSC/PEFC certified timber and are maintained by our depot partners to optimise their lifespan. Eventually they are disposed in a sustainable way to close the loop.

OPEN POOLING

In an open pool environment, ownership of the asset changes at the moment of exchange, in return for a credit. Our PAKi and vPOOL companies basically function as bank, market maker and intermediary business for standardised load carriers. These are mainly Euro pallets and Gitterboxes (PAKi) and E1 and E2 meat boxes (vPOOL). Typical customers for PAKi are hauliers, producers and retailers in the foodservice industry; typical vPOOL customers are engaged in the meat industry. Customers pay a fee per exchange, a daily hire fee, or a combination. PAKi and vPOOL do not own products, except for a brief interval when matching supply and demand.



What matters most

In 2021 we conducted a materiality assessment to help us identify and prioritize the most significant sustainability issues that affect our business and stakeholders. But also to develop a sound sustainability program. Currently we are updating our materiality assessment to bring it in line with the CSRD requirements. This process takes place in the course of 2024.

In our materiality assessment we engage with a range of stakeholders, which allowed us to gain a deeper understanding of their expectations and concerns regarding our sustainability performance.

We evaluate the issues raised by our stakeholders based on their potential impact on our business and the environment. Through this evaluation, we identified the most material sustainability topics that require our attention and action.

These topics are translated to the relevant Sustainable Development goals (SDGs) and on the level of importance to our stakeholders as well as the importance to the Faber Group itself.

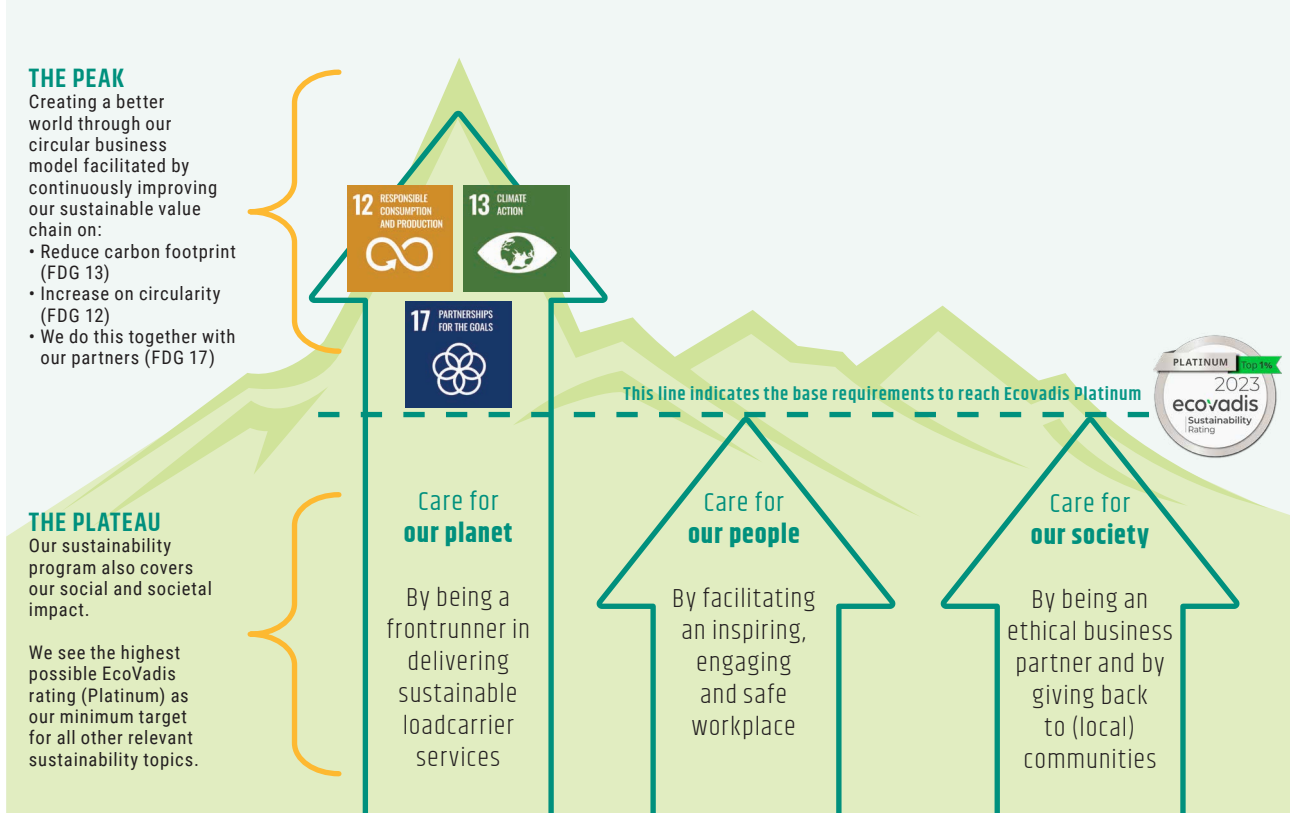
Our materiality assessment identified six SDGs that were most important, all six are considered in our sustainability strategy and program. To create additional focus, three (12, 13 and 17) of them form the basis of our 'Peak program' and we embraced them as our 'Faber Development Goals'.

We recognize that our sustainability journey is ongoing and requires continuous improvement. Therefore, we will continue to engage with our stakeholders and review our materiality assessment regularly to ensure that we remain aligned with their expectations and address the most significant sustainability issues and CSRD requirements.



How we care

SUSTAINABILITY PROGRAM 2025 HOW WE CARE



As sustainability is at the core of our business and close to our hearts, we have developed a comprehensive sustainability strategy, covering all areas of ESG (Environment, Social and Governance). The sustainability program is divided in a Peak and Plateau program as can be seen in the overview.

The 'Plateau' program focusses on all relevant labour, social, environmental (office related) and ethical topics and contains dedicated policies, KPIs and projects. The 'Peak' program focusses on improving our environmental footprint and by doing so strongly contributes to Sustainable Development Goal 12 (Responsible Consumption and Production), 13 (Climate Action) and 17 (Partnerships).

We are participant of the EcoVadis Sustainability rating. With 81/100 points we maintained our Platinum rating in 2023 which is the highest rating possible, now for three years in a row. We consider this Platinum level as the basis of our sustainability ambition, in the picture marked as the 'Plateau'. EcoVadis, of course, includes programs such as Lean & Green and PEFC.



12 RESPONSIBLE PRODUCTION & CONSUMPTION

Our targets are related to the entire life cycle of the load carrier. We contribute to sustainable sourcing of raw materials to produce load carriers and maximise the usage of our circular load carriers by customers and partners. Furthermore we maximise the lifespan of our load carriers over time, and commit to high value processing at the end of their end-of-life stage.



13 CLIMATE ACTION

We contribute to minimising the carbon emissions of our customers and partners by using our load carriers. Of course we also focus on minimizing the footprint of our own logistic operations and at our depots. We strive to reduce our scope 3 footprint per trip by 30% in 2030.



17 PARTNERSHIP FOR THE GOALS

Being part of supply chains, we realise our goals in cooperation with our customers, retailers, and business partners such as load carrier manufacturers, logistics service providers and depots.

Our approach

For achieving our sustainability targets, involvement and commitment throughout Faber Group is needed. The integration of the sustainability program in the different layers of the group started in 2021. Several projects launched on group level and each division defined their own sustainability action plan to contribute to the overall sustainability targets.

To ensure structural integration of sustainability into the organisation and decision making, we have established a Sustainability Community in 2023. This community, with representatives from each entity, has the objective to further integrate sustainability into our organisation, boost initiatives throughout our entities and to engage all colleagues to embrace sustainability into their daily work.

The sustainability program is formally and in practice anchored and led on CEO and CFO level of Faber Group. Progress is also a formal part of the division board responsibility and agenda to ensure structural follow up.



CHAPTER 4: LIFE CYCLE ANALYSIS (LCA) OF OUR LOAD CARRIERS

Assessing the environmental benefit

A Life Cycle Analysis is a methodology for assessing environmental impacts associated with all the stages of the life cycle of a product, process, or service. At Faber Group, we have had LCA's performed and validated by third party experts for our main load carrier types of all divisions.

They have also compared these pooling systems with their one-way or other market alternatives to show the positive impact of choosing a circular pooling solution. These studies were performed in compliance with the

international guidelines set forth in ISO 14044:2006 which included a review by an expert panel, consisting of industry and LCA experts.

LCA INPUTS & METHODOLOGY

	RAW MATERIALS	MANUFACTURING	TRANSPORT	USE, REPAIR	END-OF-LIFE	
INPUT MATERIALS	<ul style="list-style-type: none"> • Extraction of lumber from woods • Extraction of various input materials to create steel • Production of various chemicals to create virgin plastic and paint 	<ul style="list-style-type: none"> • Softwood material used to produce wood pallets • Steel used for nails to produce wood pallets • Paint used to treat wood pallets • Plastic used for plastic pallet production 	<ul style="list-style-type: none"> • N/a 	<ul style="list-style-type: none"> • Softwood material used to repair pallets if needed • Steel used to repair pallets if needed • Paint used to repair pallets if needed 	<ul style="list-style-type: none"> • Re-use, loss & scrap rates across different types of pallets • Virgin material avoidance of softwood, steel and plastic 	EMISSIONS PER PALLET FUNCTIONAL USE* (CO ₂ EQ, CH ₄ , N ₂ O ETC.)
FUELS & ENERGY	<ul style="list-style-type: none"> • Extraction and processing of input materials energy use • Upstream transport of raw materials 	<ul style="list-style-type: none"> • Wood pallet manufact. energy use; including drying and painting • Plastic pallet manufact. energy use; including injection molding • Country electricity mixes 	<ul style="list-style-type: none"> • Transport to customer fuel use (first delivery) • Transport to depot/repairation fuel use • Return transport from depot to cust. fuel use 	<ul style="list-style-type: none"> • Pallet repairs energy use; including drying and painting • Lighting and heating of the depot energy use • Country electricity mixes 	<ul style="list-style-type: none"> • Energy generated from wood fuel use • Emissions from landfilling and burning in open air • Country electricity mixes • Transport to end-of-life 	

* Functional use represents a pallet use for transport of goods between a sender and receiver

This visual pictures all elements taken into consideration for the LCA of load carriers during their entire life-cycle – from raw material to manufacturing, transport, use and repair until end-of-life. It includes both materials as the energy required during the entire life-cycle. The example shown above refers to IPP, as input types can vary per type

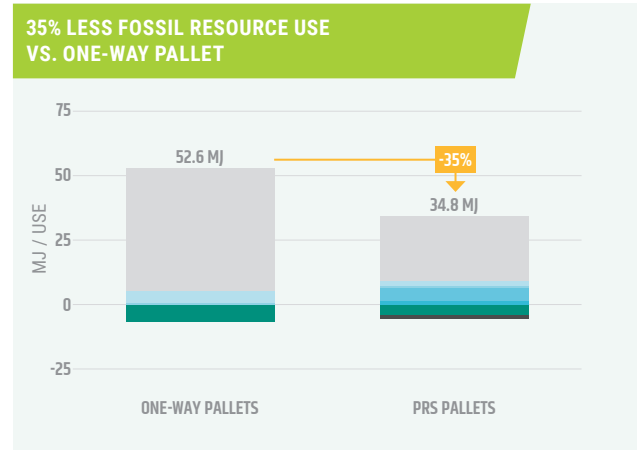
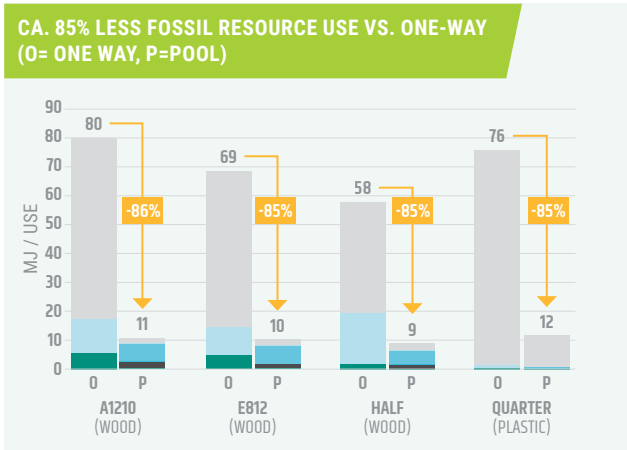
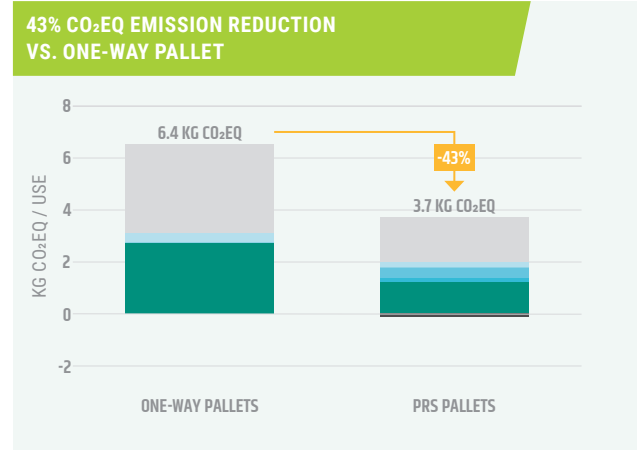
of load carrier. In this chapter we share the main findings of these LCA's per entity. When mentioning 'one-way' use, the possibility exists that this load carrier is being used more than once. However, the main goal of this LCA is to investigate the environmental benefit of (re)using a load-carrier multiple times in a pooling system.

IPP

For the IPP LCA the four main load carrier types were used: Full-size A1210 & E812 (wood), half-pallet (wood), quarter pallet P406 (plastic). The LCA for IPP shows that customers can preserve trees and prevent significant emissions, whilst meeting logistical needs and being able to focus on their core business. Pooled pallets generate significantly less CO₂eq, and use less fossil resources compared to one-way pallets per usage. This holds across both wood & plastic pallet types. The key driver behind the IPP sustainability impact is the fact that production, transport to the customer and end-of-life processing are spread over many more uses (14-40x average uses).

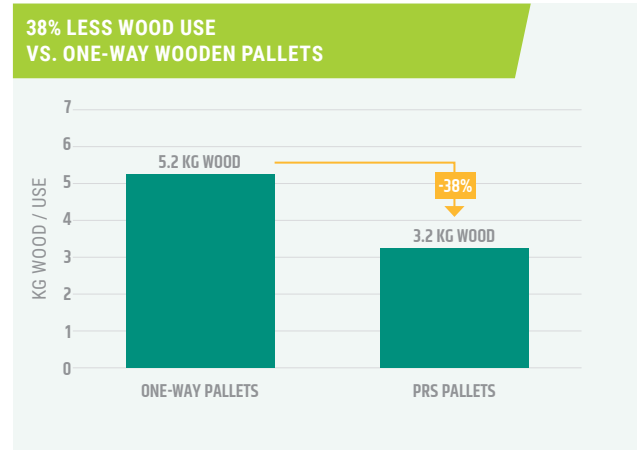
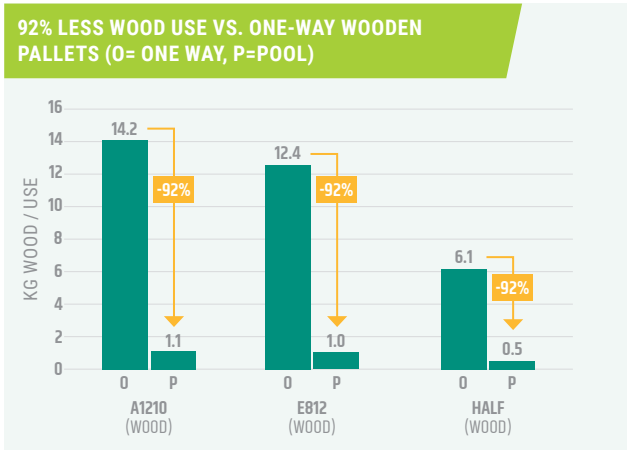
PRS

For the PRS LCA the main wooden load carrier PRS7 has been used. The LCA for PRS shows that customers can preserve trees and prevent significant emissions, whilst meeting logistical needs and being able to focus on their core business. The LCA study finds that PRS7 pallets generate ca. 40% less CO₂eq, use ca. 40% less wood and ca. 35% less fossil resources – compared to one-way pallets per usage. The key driver behind the PRS sustainability impact is the fact that production, transport to the customer and end-of-life processing are spread over multiple uses.



■ PRODUCTION
 ■ FIRST DELIVERY TO CUSTOMER
 ■ POOLING TRANSPORT
 ■ STORAGE
 ■ REPAIRATION
 ■ END OF LIFE TREATMENT

■ PRODUCTION
 ■ TRANSPORT TO CUSTOMER
 ■ TRANSPORT FOR GOODS DELIVERY
 ■ TRANSPORT TO DEPOT
 ■ RETURN DELIVERY
 ■ REPAIR
 ■ END OF LIFE TREATMENT

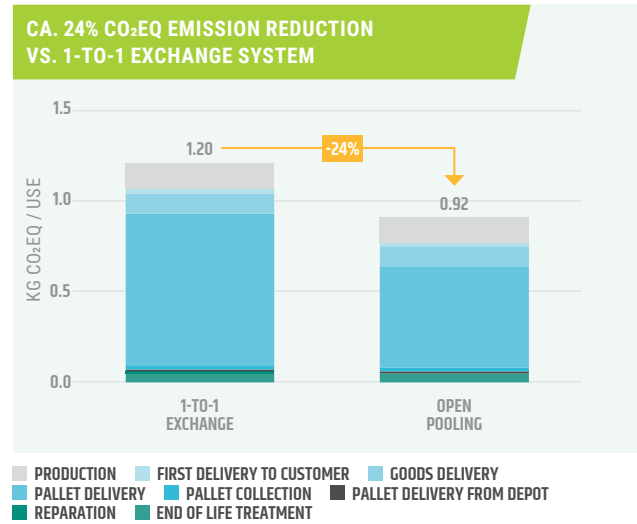
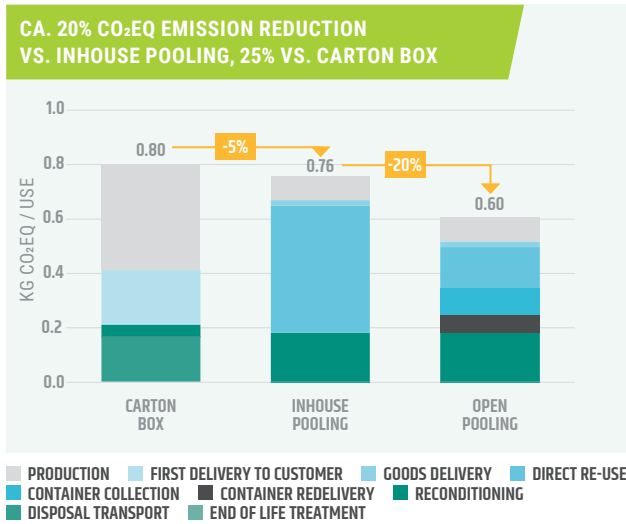


vPOOL

The LCA study finds that open pooling containers generate 20% less CO₂e_q compared to inhouse pooling by customers – per usage. Compared to one-way carton boxes; savings are even higher (25%). Key driver behind the sustainability impact is that open pool logistic movements are more optimal. In addition; production, transport to customer and end-of-life processing are spread over many uses.

PAKI

The LCA study finds that open pooling pallets generate 24% less CO₂e_q compared to 1-to-1 exchange (usage between the same two parties)– per usage. Compared to one-way; savings are even higher (90%). Key driver behind the sustainability impact is that open pool logistic movements are more optimal. In addition; production, transport to customer and end-of-life processing are spread over many uses.



Reducing our footprint



In order to effectively work towards our environmental goals we have defined our 'peak program'. This program helps us to work towards our Faber Development Goals – Climate Action (13), Responsible Consumption (12) and Partnerships (17).

Our impact

The last three years we have measured our groupwide footprint for all three scopes of the Greenhouse Gas Protocol (GHG). Next we are also working on the quantification of our Scope 4, this is being done with the support of comparative Life Cycle Assessments of our main load-carrier services. The results of these LCA's can be found in chapter 4 of this report.

Scope 1: The direct emissions. These emissions are generated by our office buildings and company cars. Examples are gas usage for heating and fuel consumption of company cars.

Scope 2: Indirect emissions. The carbon emissions that are caused by generating electricity that we purchase and use in our own office buildings or company cars.

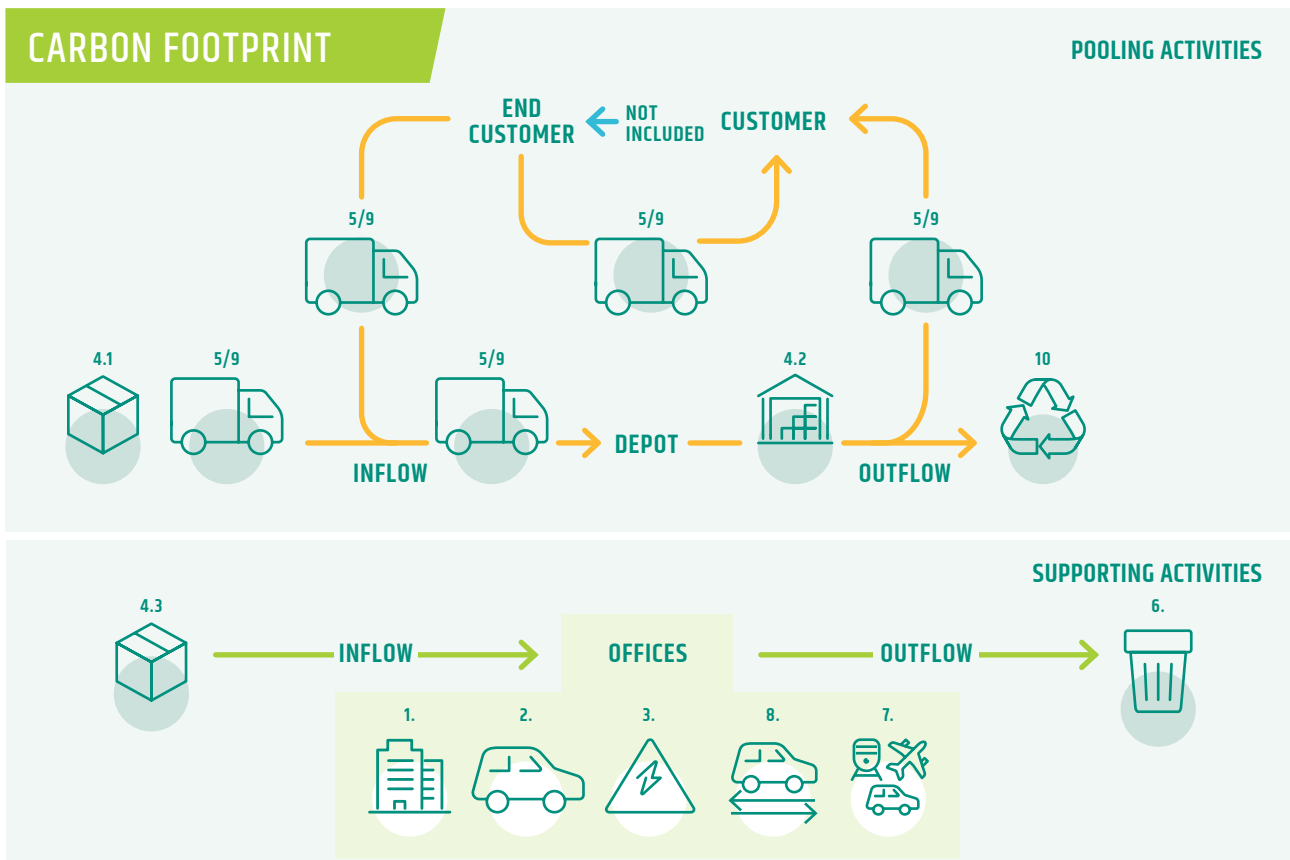
Scope 3: All other indirect emissions. Emitted in the value chain of the organisation. A distinction is made between upstream and downstream emissions.

We mapped all relevant GHG protocol categories in our business model, which are visualized in the overview below. In this overview we make a distinction between supporting activities (which are our office and employees) and the pooling activities.

One of our focus points in improving the data quality of our environmental data. To do so we are continuously

working on getting more accurate and representative data. One of the ways to do is by performing an yearly internal audit team on the sustainability data, which gives us good input to continuously work on data quality improvements. Last year we improved our data based on the LCAs we have performed, also our base year calculations have been slightly adjusted based on these renewed insights.

# RELEVANT SCOPES AND CATEGORIES	
SCOPE 1	
1	Owned/controlled company facilities
2	Owned/controlled company vehicles
SCOPE 2	
3	Purchased electricity, steam, heating, and cooling for own use
UPSTREAM SCOPE 3 EMISSIONS	
4.1	Purchased goods and services: new load-carriers
4.2	Purchased goods and services: depot services (storage, repair, etc)
4.3	Purchased goods and services: office supplies
5	Upstream transportation and distribution
6	Waste generated in office
7	Business travel
8	Employee commuting
DOWNSTREAM SCOPE 3 EMISSIONS	
9	Downstream transportation and distribution
10	End-of-life treatment of load-carriers

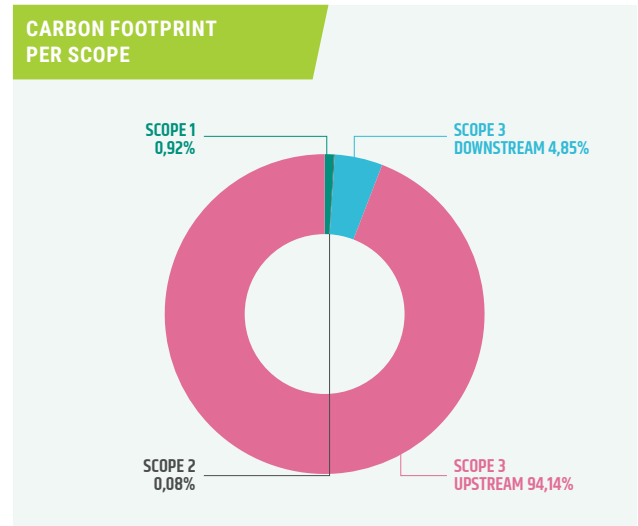
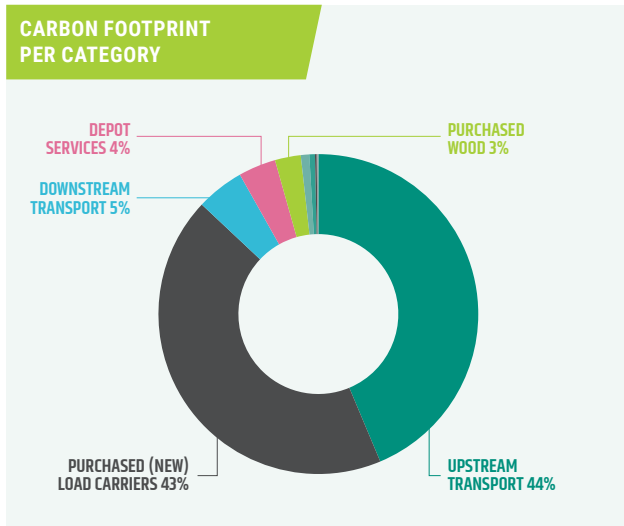


Our carbon footprint 2023

As indicated in the two pie charts –which is a breakdown of our total footprint for 2023– the main impact is caused by the production of new load carriers and transport (upstream and downstream). Only a very small percentage comes from scope 1 and 2 and supporting activities, such as our offices.

As the potential footprint reduction in transport is obvious, it is important to emphasize there is substantial potential

in footprint reduction by lowering the need to purchase new load carriers. This can be done by optimizing the usage of the existing load carrier pool (by increasing rotation speed of load carriers and by avoiding loss through digitalization and traceable load carriers) and by optimizing the life span (through proper care, repair, and maintenance). The less new load carriers we need to purchase, the less our impact on the need of timber or other materials to produce them.

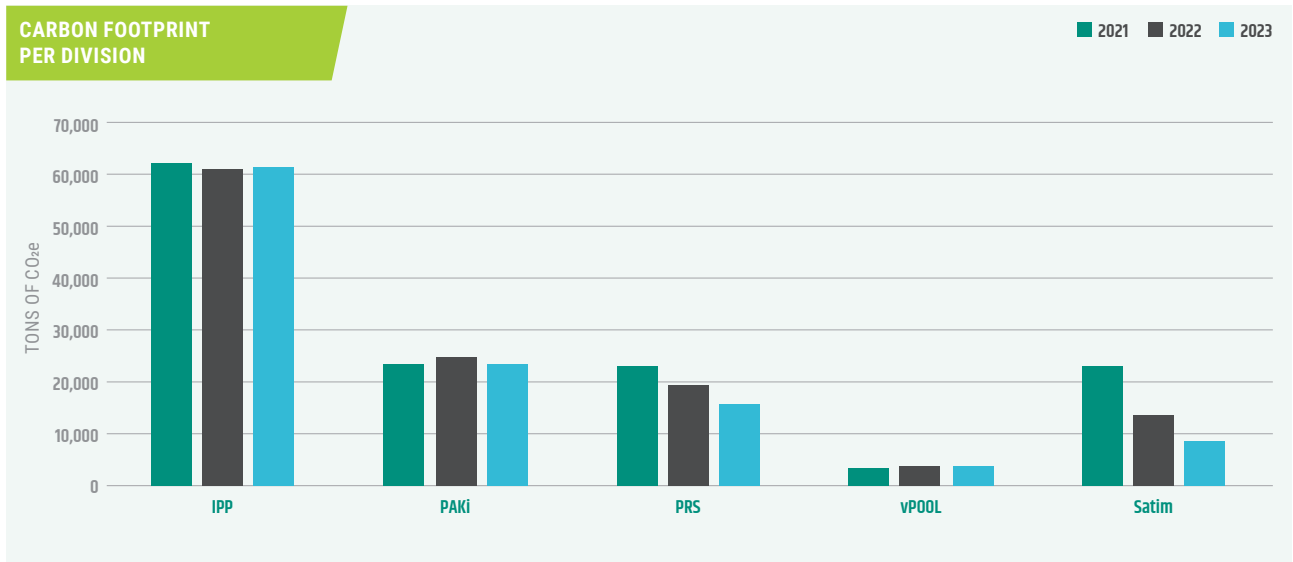


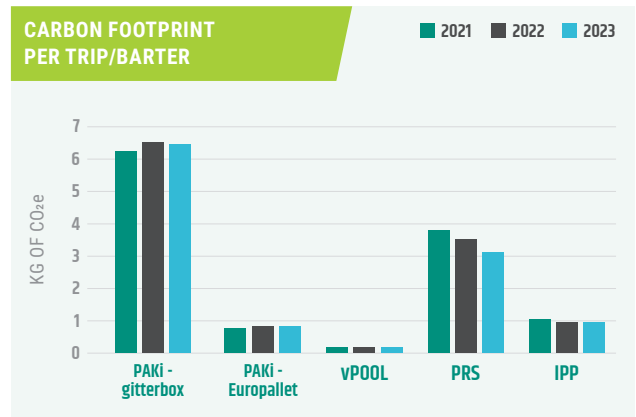
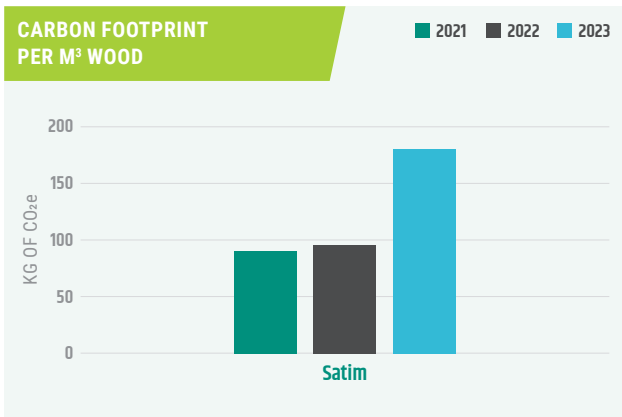
ABSOLUTE CARBON FOOTPRINT OVER 2023

Footprint per division

As can be seen in the graphs, we have realized an overall lower footprint for our divisions PRS, PAKi and Satim, but an increase in absolute CO₂ emissions for IPP and vPOOL. Especially for Satim the reduction is significant, this is mainly the result of less wood procurement activities in comparison to previous years. Since we are growing in number of trips and business, it is important to not only look at the absolute footprint, but also look at the footprint per

unit (per trip, barter or m³ wood). This is a better indicator for the improvements we realize in our value chain. For PAKi, IPP and vPOOL this is currently stabilized in comparison to the previous years, for PRS we see a decrease in the footprint per trip and for Satim a significant increase in footprint per delivered m³ wood. The main reason for the increase at Satim is the longer distances trucks needed because new wood logging locations were selected in for example northern Scandinavia due to the Ukraine war.

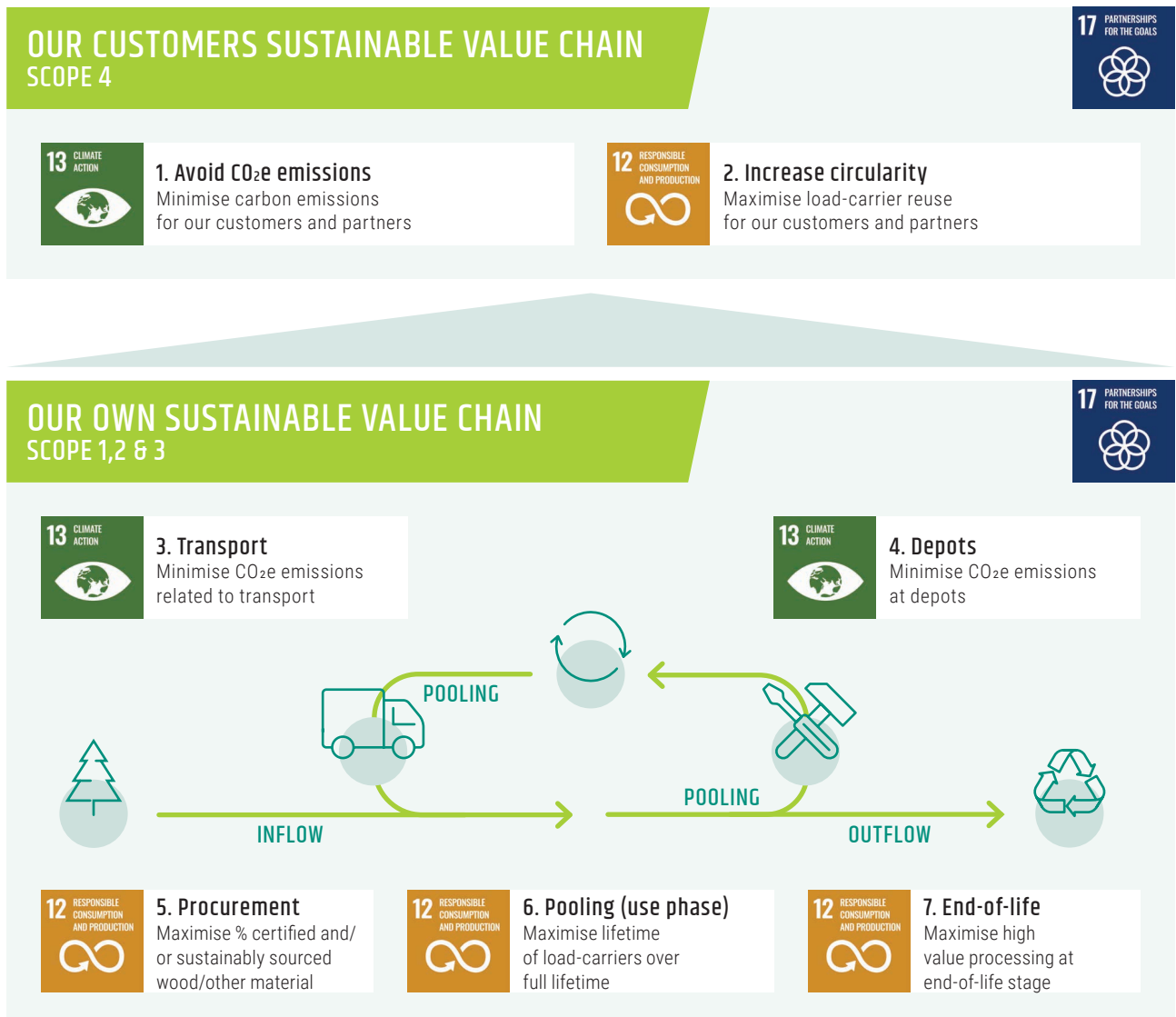




Peak Program

Our Peak Program is two-folded, first focus is to increase Scope 4 (impact area 1 & 2) and secondly, we want to decrease Scope 1,2 and 3 (impact area 3 - 7). Each Impact Area delivers a contribution to at least one of the Faber Development Goals.

The Peak Program contains seven impact areas that enable the organization to minimize the carbon footprint, maximizing reuse and engaging in strategic partnerships to reach the sustainability targets. The overview on the next page shows the progress per impact area. A more detailed description of the projects can be found in the sustainability report of 2022.



OUR GOAL		PROJECTS
<p>IMPACT AREA 1 & 2: Avoid CO₂ emissions and increase circularity for our customers</p>	<p>Increase the amount of CO₂ emissions we avoid in the supply chain of our customers. These avoided emissions we call our 'avoided emissions/Scope 4' impact: we want to maximize the carbon savings that our customers realize by choosing a pooling system instead of using a less sustainable alternative (such as one-way pallets).</p>	<ul style="list-style-type: none"> - Growing our business and help customers make use of pooling instead of less sustainable alternatives such as one-way load-carriers. - Introduce pooling innovations in one-way load-carrier markets, for example RUDi, the ReUsable Display by IPP Germany.
<p>IMPACT AREA 3: Reducing transport emissions</p>	<p>Improving efficiency, switch to cleaner transport types, but also by optimizing our transport network.</p>	<ul style="list-style-type: none"> - PAKi's empty run prevention initiative. - IPP's sustainable transport program which has been awarded with the European two-star Lean & Green rating.
<p>IMPACT AREA 4: Reducing emissions of depot activities</p>	<p>Depot partners play a vital role in our supply chain. These partners store, sort & repair our load-carriers. Our goal is to help depots in becoming more sustainable and reduce their footprint.</p>	<ul style="list-style-type: none"> - Assessing our (depots) suppliers on their sustainability performance.
<p>IMPACT AREA 5: Sustainable procurement</p>	<p>We believe partnerships and circularity are key to offering our customers an effective and sustainable pooling network. That is why we are creating a sustainable and ethical supply chain with strong suppliers and partners. We do this by stimulating our (new) suppliers to act and improve on sustainability and social topics but also by sourcing in a sustainable manner</p>	<ul style="list-style-type: none"> - Groupwide project to make sustainability integrated part of the procurement process and decision making. - Certified wood procurement in 2023: PRS 78%, IPP 97% and PAKi 62%. - Code-of-conduct undersigned by over half of all key suppliers.
<p>IMPACT AREA 6: Extend the usage and lifetime of our load-carriers</p>	<p>Improving pallet lifespan is key to our sustainability. By enhancing repair and reusability, we boost performance. Digitalizing assets with Connected Load Carrier helps track and optimize supply chains, reducing loss. Unique identifiers like RFID, QR, and barcodes further enhance control over pallet usage and location.</p>	<ul style="list-style-type: none"> - PRS green label, which stimulates pallet recovery with converters. - Connected-Load Carrier to make our load carriers traceable.
<p>IMPACT AREA 7: End-of-life processing</p>	<p>Even while we are extending the lifetime of load-carriers, they will reach the end of their life span eventually. It is our goal to make sure these decommissioned load-carriers are processed in the best way possible.</p>	
<p>Other sustainability objectives & projects</p>	<p>Next to our peak program we want to maintain a high standard of reducing the environmental impact of our supporting activities, such as our office buildings and car fleet. Also, we contribute to a more sustainable world via donating to tree planting initiatives. Via these initiatives we offset a part of our carbon footprint.</p>	<ul style="list-style-type: none"> - Work towards sustainable and carbon-neutral supporting activities (which include our offices, lease cars, commuting of our employees and sustainable procurement of office related supplies). - Help restore land and nature via supporting Land Life company tree planting programs by planting over 25.000 trees in Europe.



By making our load carriers traceable we increase recovery and sustainability

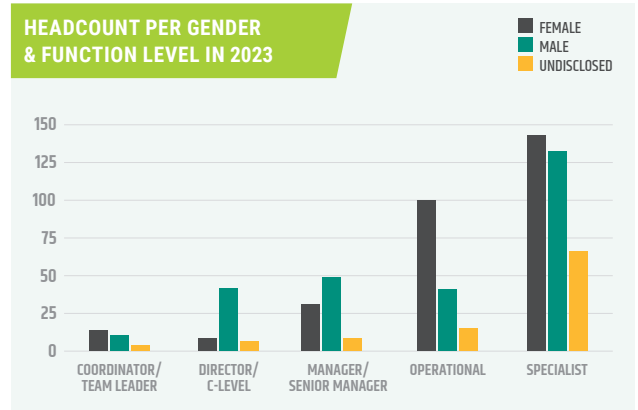
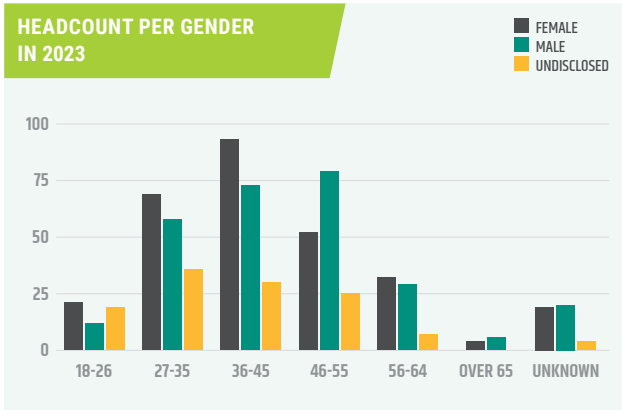
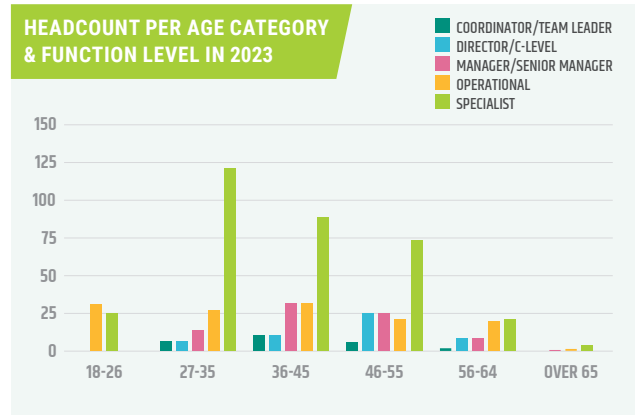
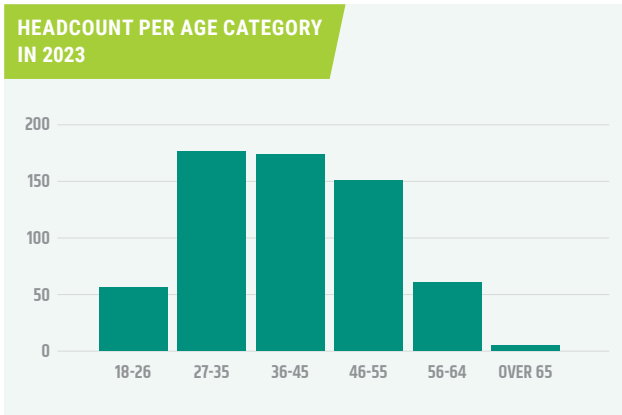
A diverse and inclusive working environment



At Faber Group, we care for our people and society. We offer our employees a safe and inspiring work environment and provide growth and development throughout their career. We also ensure a diverse and inclusive working environment in which people can be themselves, feel respected and share their opinion.

Regarding society, Faber Group ensures to do business in a fair way and consider all its stakeholders. We have a number of policies and programs in place to safeguard this. Our population is about 50% males and 50% females with an average age of 40 years old. Looking at employees who were hired during last year, 32% falls

into the age group of 27-35. Of all of our managers 31% is female, where we see an equal distribution within our group of coordinator/team leaders and a higher percentage of male managers in the director and c-level roles. Our target is to have at least 20% females in our director and c-level roles by 2030.



During 2023 we started with the implementation of a new group wide HR Information system (HRIS by HiBob), that will support all of our people processes such as recruitment, on- and offboarding, performance management and salary reviews and workforce planning including budgeting. Once fully implemented by the end of 2024, we will have significantly increased the possibility to collect data and analyse trends and developments within our workforce. This will enable target setting and monitoring on for instance diversity & inclusion aspects tremendously. Actions deriving from this should further enhance equal treatment and equal opportunities as well as employee engagement and satisfaction.

Career management

Creating opportunities for employees to further develop themselves is an important topic within Faber Group. We enable this in multiple ways through our People cycle, for instance through the appraisal process where we specifically ask about ambitions and People reviews where we identify talents as well as successors for key positions.

Our career page and employer branding campaign designed in 2022 has paid off in 2023 facilitating to find new talent and also increasing visibility for our own employees to identify career opportunities. We have significantly increased the number of internal promotions as compared to external hires and will continue this in 2024.

All of our entities have a focus on talent identification and development, through personal profiling, development plans and internal mentoring and/or external coaching. These in total 33 high potentials, which represent approximately 5% of our population, were gathered in the Netherlands in December for a Action Learning Day in cooperation with Team Heiner and senior management of Faber Group. This not only gave the participants further insight into the strategy of Faber Group and exposure to senior management but also enabled them to move outside of their comfort zone and learn about their own (self) management skills.





Each year the CEO & CFO of Faber Group visit all offices during the annual Roadshow to interact with all employees about our business

Our retention rate at Faber Group level is stable (84,5% in 2022 versus 83,9% in 2023). Our target is to have a retention rate of at least 88% by 2030.

Training and development

During 2023 we have significantly increased our investment in training and development with 23% compared to 2022 and reached our KPI to spend the budget at 100%. The average training spend per headcount increased to € 808 in 2023 compared to € 655 in 2022.

Throughout the company we continued to focus on skills such as language skills, personal effectiveness and management skills and put additional focus on communication skills, change management and digital transformation. We have agreed to further increase our annual training budget year on year towards 3% of our total personnel cost in 2025.

Just like previous years there remains to be a focus on awareness with regards to compliance. We have engaged in a co-operation with InfoSecure for e-learnings. Not only will this cooperation enable us to provide more in-depth e-learnings on for instance GDPR and information security topics, the learnings will be a mix of general content, micro learnings as well as security flashes and will be tailored based on an assessment of the risks our employees are aware of, as well as the ones they are not aware of.

Employee engagement

In our dynamic and growing pooling business we believe that our success goes hand in hand with employee engagement. And in the current labour market it is vital to attract new talent. In 2022 we received very positive feedback with an average Net Promotor Score (eNPS) of 27 over the entire organization. We strive to have a Net Promotor Score of 33 by 2030. We follow-up this up with a series of physical engagement days in all entities and countries enabling us to engage in active dialogues with our employees about the things we should start, stop and continue doing.

Some of the actions we have taken based on these discussions:

- Redesign our requirements for manager and senior manager roles to stimulate a better balance between male and female job holders.
- Create additional levels in our job model where applicable to increase career opportunities for our staff.
- Increase number and quality of interdepartmental meetings and with that increase insight into own impact for an employee.

In 2024 a follow-up, online engagement survey will be held, executed by our external partner Effectory.



Health and safety

Within Faber Group we focus on creating an inspiring, healthy and safe work environment for all our employees. We measure absenteeism, percentage of total staff that resigned due to health, safety and working conditions, number of accidents and we are establishing measurements on wellbeing. We are happy to see a trend of lower percentages of absenteeism throughout our organisation the last year of 5,5% (including paternity leave) compared to 7,5% in 2022. We strive to have an absenteeism rate of maximal 3% (excluding paternity leave) by 2030. We registered one 'near miss' accident (opportunity to improve) in 2023 at our PAKi division. A lot of effort has gone into supporting our employees where needed in terms of flexible working arrangement, additional support from occupational health officers, support on financial budgeting and/or for instance mindfulness. Creating an inspiring, healthy and safe work environment for all our employees is something we do together and is strongly related to values and behaviour.

Supplier Safety & Health

As the subsidiaries of Faber Group subcontract many

activities to suppliers such as hauliers and depots we also focus on Safety & Health at those subcontractors. In our Supplier Code of Conduct we provide guidelines for Health and Safety. Our IPP division includes supplier Safety & Health in their Service Level Agreements and our PRS division performs annual onsite audits at depots which include Safety & Health. PRS has also initiated the 'Care 4 Depots' roadshow to encourage depots to improve working conditions by automation of pallet lifting instead of manual handling. In 2024, Faber Group will further assess safety at depots and hauliers with an independent consultant.

Initiatives for society and local communities

The Faber Group and its subsidiaries support various initiatives to contribute to society and local communities. These initiatives vary from a partnership with Landlife, where on behalf of Faber Group approximately 25.000 trees have been planted in 2023 plus additional plantings initiated by subsidiary initiatives. Furthermore, our local entities sponsor their communities with for example sponsorships with local sports teams and charitable contributions to various causes.



PAKi Logistics sponsors the local basketballteam EN Baskets in Schwelm, Germany



Our partnership with Landlife provides tree planting in reforestation areas

Transparent and accountable

We recognize the importance of good corporate governance in achieving our sustainability goals. That is why we have implemented a robust governance framework that ensures effective oversight, accountability, and transparency in our operations. This implementation is done in several ways.

First of all we developed clear policies and procedures for decision-making, risk management, and ethical business. For example by making sustainability part of the general risk management assessments and meetings. But also by the development of our group code-of-conduct as well as the code-of-conduct for our suppliers.

Secondly, we defined clear roles and responsibilities in our sustainability program. The Faber Group board is responsible for determining the group sustainability strategy and setting the sustainability targets. Each division board is responsible for implementing this strategy and delivering results on these targets. On a quarterly basis the progress and results are evaluated between the group and division board. Each division has a sustainability lead who is responsible for the coordination of the local sustainability program. This sustainability lead is part of the 'sustainability community', this is a group which consists of all sustainability leads and the group sustainability manager who regularly meet and work together on groupwide sustainability projects and topics.

Thirdly, we defined the roles and responsibilities related to sustainability reporting and preparation in line with the CSRD, both the finance team and the divisional sustainability lead work together to report on a monthly basis on sustainability KPIs. Next to this, a steering committee is

installed in which the CFO and finance director of each division take place. This steering committee oversees the implementation of the sustainability reporting process. On a yearly basis sustainability progress and reporting is also part of the Supervisory Board meeting.

Lastly we have aligned our policies and reporting with several international standards and frameworks such as the United Nations Global Compact and the Sustainable Development Goals.

With the above mentioned measures we aim to build trust and credibility with our stakeholders, and contribute to a more sustainable and responsible business environment.

CSRD preparation

In order to effectively prepare for the CSRD regulations we have created a comprehensive roadmap. In the course of 2023 we have started with a double materiality assessment, but also have been increasing the knowledge level of the finance departments. For example by a CSRD training for the finance community by the Impact Institute. In 2024 we are continuing the dialogue with our stakeholders, conduct a gap analysis to identify the relevant datapoints and we have created a roadmap with our accountant, in which they will be closely involved in our preparation.

GRI Reference Index

Faber Group has reported the information cited in this GRI (Global Reporting Initiative) content index for the period January 1st - December 31st 2023 with reference to the GRI Standards.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	PREFIX - PAGE 2
	2-2 Entities included in the organization's sustainability reporting	CHAPTER 1 - PAGE 6
	2-3 Reporting period, frequency and contact point	PREFIX - PAGE 2
	2-6 Activities, value chain and other business relationships	CHAPTER 1 - PAGE 6 + 7
	2-7 Employees	PREFIX - PAGE 2
	2-9 Governance structure and composition	CHAPTER 7 - PAGE 23
GRI 3: Material Topics 2021	3-1 Process to determine material topics	CHAPTER 2 - PAGE 8
	3-2 List of material topics	CHAPTER 2 - PAGE 8
	3-3 Management of material topics	CHAPTER 2 - PAGE 8
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	PREFIX - PAGE 2
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	YES
	205-2 Communication and training about anti-corruption policies and procedures	CHAPTER 6 - PAGE 21 PARAGRAPH TRAINING & DEVELOPMENT
	205-3 Confirmed incidents of corruption and actions taken	0 INCIDENTS
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	CHAPTER 5 - PAGE 18 IMPACT AREA 5
	304-3 Habitats protected or restored	CHAPTER 6 - PAGE 22 LAND LIFE PARTNERSHIP

GRI STANDARD	DISCLOSURE	LOCATION
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	CHAPTER 5 - PAGE 16 GRAPH 'CARBON FOOTPRINT PER SCOPE'
	305-2 Energy indirect (Scope 2) GHG emissions	CHAPTER 5 - PAGE 16 GRAPH 'CARBON FOOTPRINT PER SCOPE'
	305-3 Other indirect (Scope 3) GHG emissions	CHAPTER 5 - PAGE 16 GRAPH 'CARBON FOOTPRINT PER SCOPE'
	305-4 GHG emissions intensity	CHAPTER 5 - PAGE 17 GRAPH 'CARBON FOOTPRINT PER TRIP/BARTER'
	305-5 Reduction of GHG emissions	CHAPTER 5
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	CHAPTER 5 - PAGE 18 IMPACT AREA 7
	306-2 Management of significant waste-related impacts	CHAPTER 5 - PAGE 18 IMPACT AREA 7
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	CHAPTER 5 - PAGE 18 IMPACT AREA 5
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	CHAPTER 6 - PAGE 21 PARAGRAPH CAREER MANAGEMENT
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	CHAPTER 6 - PAGE 22 PARAGRAPH HEALTH & SAFETY
	403-2 Hazard identification, risk assessment, and incident investigation	CHAPTER 6 - PAGE 22 PARAGRAPH HEALTH & SAFETY
	403-3 Occupational health services	CHAPTER 6 - PAGE 22 PARAGRAPH HEALTH & SAFETY
	403-4 Worker participation, consultation, and communication on occupational health and safety	CHAPTER 6 - PAGE 22 PARAGRAPH HEALTH & SAFETY
	403-5 Worker training on occupational health and safety	CHAPTER 6 - PAGE 22 PARAGRAPH HEALTH & SAFETY
	403-6 Promotion of worker health	CHAPTER 6 - PAGE 22 PARAGRAPH HEALTH & SAFETY
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	CHAPTER 6 - PAGE 21 PARAGRAPH TRAINING & DEVELOPMENT
	404-3 Percentage of employees receiving regular performance and career development reviews	CHAPTER 6 - PAGE 20 PARAGRAPH CAREER MANAGEMENT
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	CHAPTER 6 - PAGE 21 PARAGRAPH TRAINING & DEVELOPMENT
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	CHAPTER 6 - PAGE 22 PARAGRAPH SUPPLIER SAFETY & HEALTH
	414-2 Negative social impacts in the supply chain and actions taken	CHAPTER 6 - PAGE 22 PARAGRAPH SUPPLIER SAFETY & HEALTH

Our purpose is to carry impact

OUR VALUES ARE

Care

We feel responsible for people, products
and the environment

Dare

Entrepreneurship, passion and teamwork
challenge us to go further

Deliver

We are motivated to simply deliver
sustainable results

FABER GROUP
SUSTAINABILITY REPORT

2023



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