



SUSTAINABILITY REPORT BUSINESS YEAR 2025

Covering SOL companies:

**Swedish Orient Line AB
Transatlantic Project & Contract Cargoes AB
Scandinavian Logistics Partners AB**



1. Our ambitions

In 2025 the SOL Group maintained its efforts and focus on trying to minimize the climate impact associated with our operations. Not only to comply with the regulations of Fuel EU and EU ETS, but also as part of our commitment to reach long term environmental targets. Regarding Social Sustainability we achieved strong results in SOL ´s employee survey (see Section 5), highlighting factors such as psychological safety and work-life balance. 2025 was also a successful year in maintaining and further strengthening and enhancing our customer relationships, a highly important part of our DNA.

All aspects of sustainability are, and will remain, priorities at board level and are fully integrated into our corporate governance structure, in line with our Code of Conduct, strategy and brand statement.

2. SOL ´s sustainability ambitions

The SOL Group (SOL) operates primarily in shipping but also in other transport segments such as rail, road, and air. In our shipping operations, we own our own tonnage but also charter vessels from other ship owners. In our other businesses, we sometimes act as operators, in other cases as freight forwarders.

Regardless of ownership or role, SOL feels a strong responsibility to ensure a sustainable development of its operations including the impact we have on the environment. As such we aim to conduct responsible business operations with high sustainability standards. By responsible operations, we mean creating the best solutions for our customers and partners while contributing to a better environment with a reduced climate impact, and to societies with good social conditions where human rights are respected.

Two significant environment regulations have recently been implemented in shipping, EU ETS and Fuel EU. These regulations accelerate the green transition in the industry, which SOL views positively. However, these new regulations also lead to an immediate cost increase for transport, which will be challenging for the industry during a transition period. To meet these challenges SOL works in close dialogue with its customers and suppliers, with the ambition to create business models based on win-win partnerships.

3. Sustainability in Corporate Governance

Sustainability has been a natural perspective in SOL's daily operations for a few years now. Since 2022 we have established sustainability-related positions within the group companies and incorporated sustainability goals and objectives in our strategies and action plans. Sustainability is included in the board's rules of conduct. Furthermore SOL ´s ownership directive states that SOL should be a good place to work.

To further guide the SOL organization in the reaching towards our sustainability ambitions in all its business activities, the parent company has established and implemented a sustainability policy that permeates the activities of all group companies:

"SOL shall always strive to add value for its stakeholders including customers, employees, suppliers, partners, and shareholders. At the same time, SOL shall contribute to sustainable social development and consider the impact on the environment."

To ensure we achieve our sustainability objectives our business plan and brand statement are built on four pillars: People, Sustainability, Cargo, and Solutions. Key factors for us, in addition to focusing on reducing climate impact, are strong customer relationships, reliability, competence, and an open corporate climate based on psychological safety. SOL measures and monitors sustainability-related key indicators within environment, personnel, and customer satisfaction.



4. Environment

Transport requires fuel. To date a large part of such fuel has been fossil-based. At SOL, we are aware that our emissions have a negative impact on the environment. To minimize the negative effects and limit global warming, we work with several activities in our companies:

- Planning for building new vessels that can run on fossil-free fuels
- Transitioning to blending with biofuels where vessels have the necessary technical conditions
- Investing in technical solutions that reduce energy needs
- Offsetting freight emissions
- Measuring and monitoring our emissions over time
- Participating in various industry organizations that promote a green transition
- Working closely with our customers and suppliers with a focus on transitioning to fossil-free fuels over time

Furthermore, to contribute to limiting global warming to 1.5°C in accordance with the Paris Agreement, SOL's companies have set its own climate targets. For our fully owned shipping companies this implies a Co2 reduction from operations with 55% by 2030 (ref. year 2023). Our freight forwarding company Scanlog has a climate promise to be climate neutral by 2030 and to have net zero emissions by 2050.

SOL cares about positive environmental development throughout the entire value chain. We choose to work with accredited customers, suppliers, shipowners, and port agents who share our values and ambitions in these respects. SOL is represented in various industry organizations and is involved in accelerating the pace of the green transition in shipping and other transport sectors in which we operate.

5. Social Sustainability, Human Rights, and Anti-Corruption

SOL's employees are its most important asset. We therefore value and strive to create an open and transparent working environment, with a high ceiling and degrees of psychological safety, where our employees can grow and develop. We encourage diversity and equality.

SOL cares about working conditions throughout the entire value chain. SOL does not accept working conditions that do not meet the minimum standards according to national or local legislation or ILO conventions (International Labour Convention). SOL and its group companies are strictly against child labor, forced labor, and corruption.

SOL's focus on sustainable working conditions is clearly defined in our sustainability policy:

“SOL shall be a good social actor and respect human rights, denounce corruption, bribery, and payoffs, as well as money laundering. SOL shall also strive to create good health and well-being regardless of whether this pertains to our employees, customers, owners, or other stakeholders. SOL shall actively participate in social matters, as well as support and encourage its employees' civic participation to contribute to a healthier and safer society. SOL shall not make any direct or indirect contributions to political parties or political organizations”

To monitor our standing against important working environment metrics, SOL conducts employee surveys and pulse measurements, covering areas such as working conditions, work environment, equal treatment, and work-life balance.

The parent company, Svenska Orient Linien AB, was named Employer of the Year in the Brilliant Awards – Employee Experience 2025, in the category Up to 30 Employees. The award demonstrates SOL's ability to create a work environment where employees feel engaged and motivated.

6. Risks and Opportunities

Increased sustainability requirements entail both risks and opportunities for SOL. Risks related to environmental development arise both in the short, medium and long term.

The green transition involves a financial risk in the form of increased costs due to more expensive fossil-free fuels, but also from penalties, emission allowances and pooling arrangements.

The availability of tonnage powered by fossil-free fuels is limited in several segments, sometimes non-existent. Building new vessels involves significant investments and takes time. Uncertainty about which fossil-free fuels will be available on the market in the future and at the same time demanded and accepted by the customers, makes investments in new-building projects risky from a financial perspective.

A clear effect from the green transition is that transport will become more expensive. The financial risk undertaken is therefore also related to customers' willingness to pay. SOL spends a lot of time discussing the cost implications with customers, as rising transport prices may reduce competitiveness, create risks for losing market share or profitability for parties in the value chain.

Adhering to the requirements for sustainable development and the green transition are crucial ingredients for the survival of our industry (and society). The changes stemming therefrom will be challenging but at the same time create new business opportunities and collaborations. At SOL we look forward to working closely with our partners to pave the way for a future mutually beneficial and sustainable development. **In the best way, together!**



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