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Sustainability report 2023

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Introduction

Tempcon Group AB specialises in temperature-controlled logistics. The Group comprises a number of strong local companies. Together, we add value for our customers through safe, climate-smart logistics solutions for a sustainable future.

Tempcon strives to contribute to sustainable development and a sustainable society. Sustainability informs the entire operation in various ways, and this is reflected in Tempcon's annually updated strategic plan. We manage sustainability based on the three dimensions of economic, environmental and social sustainability. Our focus and proactive efforts are directed at specific areas identified within these three dimensions.

Our business culture is based on collaboration, where we weave together the knowledge, experience and various assignments of our respective companies and employees into a single strong unit.

Vision

Together for a sustainable future.

Mission

We are specialists in temperature-controlled logistics. We offer customised, climate-efficient logistics solutions for a sustainable future.

Position

Our goal is to be the leading partner in temperature-controlled logistics in the Nordics and thus the go-to logistics partner for producers, wholesalers and the grocery trade. The extensive good customer relations of our subsidiaries form the basis for our continued development and growth. We aim to grow both organically and through strategic acquisitions that complement and develop our existing customer offering.



About the Group

The Group currently comprises twelve entrepreneurial subsidiaries, all with a common goal – to create value for customers through sustainable logistics solutions.

Tempcon and its subsidiaries offer a full range of services that meet the needs of the entire supply chain. This provides customers with an optimally customised solution in temperature-controlled logistics with associated digital services, from producer to consumer. Tempcon operates in four main areas: national haulage with terminal networks, international haulage, warehousing and last-mile deliveries.

Tempcon is owned by the founders and management of its subsidiaries together with Accent Equity, which is the majority owner.

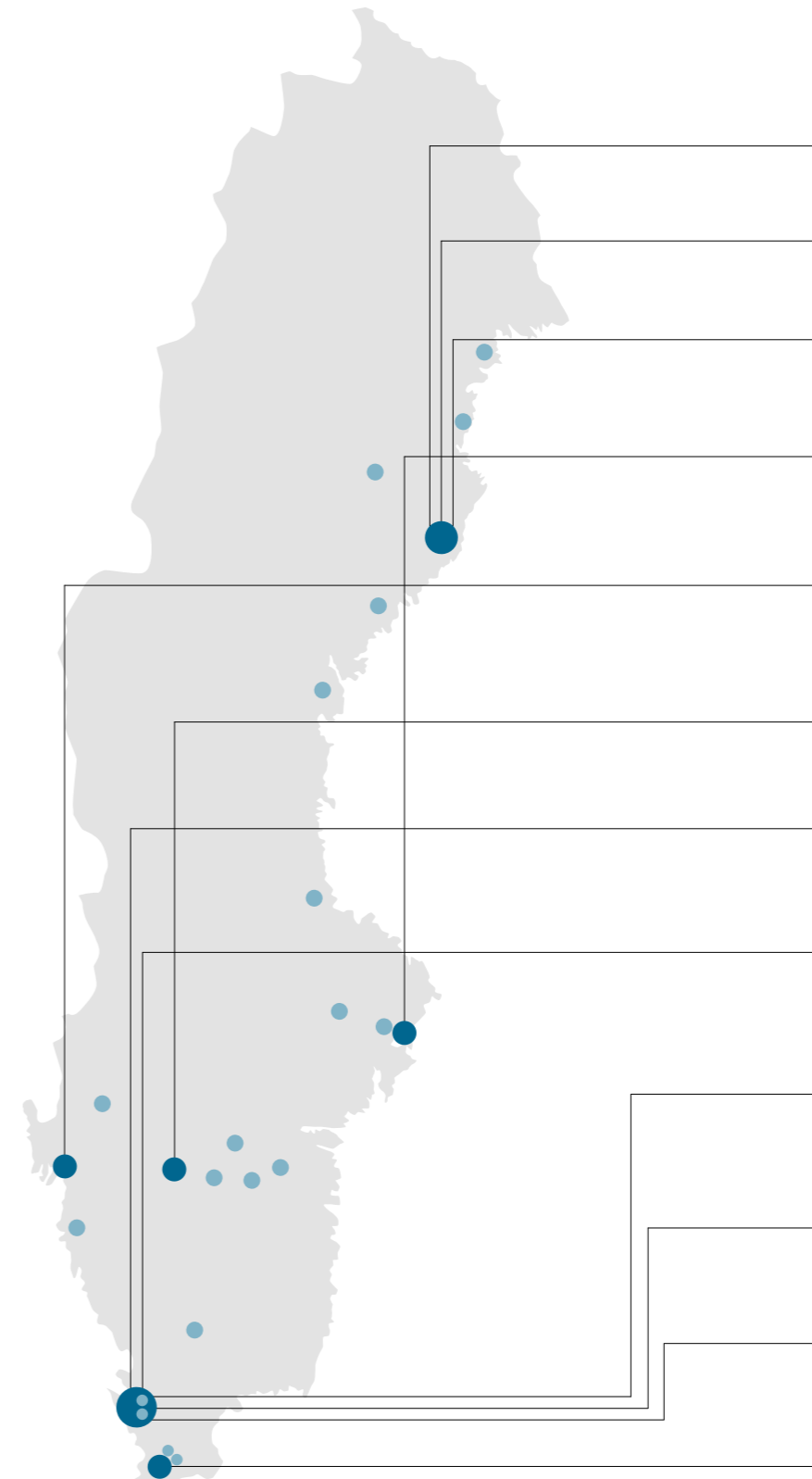
Market position

Tempcon is the Nordic region's largest operator in temperature-controlled haulage and logistics services. The Group covers all of Sweden through its own strong presence and strategic collaborations, while also reaching our Nordic neighbours, Benelux and other parts of Europe.

Customers today comprise a broad mix from the biggest operators in grocery stores, restaurants and food production to local entrepreneurs and industry in general. While the principal segment is food, we also haul flowers, dry goods and pharmaceuticals.

Group goals

Tempcon's goal is to be the first choice for producers, wholesalers and the grocery trade. We strive to be the best partner for our customers, the most attractive employer for our employees and the most sustainable alternative for the environment. Our growth will primarily be organic and driven by existing customer relationships, but also by selective strategic acquisitions that complement our offering, all with a focus on financial, social and environmentally sustainable development.



Tempcon in numbers

3,000

Sales of around SEK 3,000 million in 2023



21

terminals



500

company-owned trucks



1,500

committed employees



60,000

m² terminal storage space for dry, chilled and frozen goods



100,000

pallet positions for dry, chilled and frozen goods

12

strong local subsidiaries

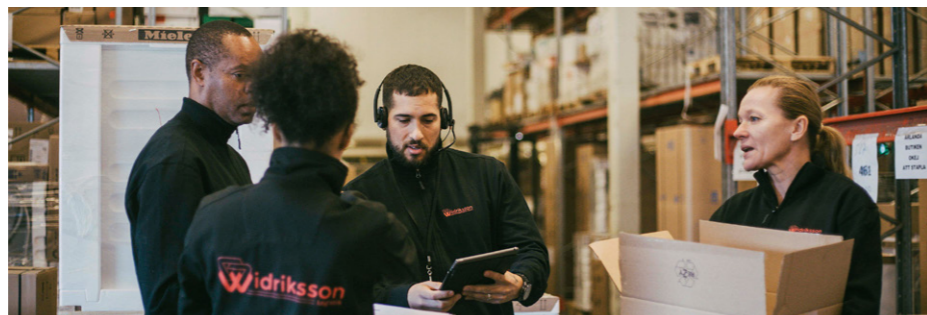


200

last-mile vehicles

300

trucks through contract hauliers



“

We will continue our growth journey together with our customers and be responsive to their wishes and needs.

– Christian Hallberg, Group CEO

Our values

Tempcon Group is values-driven and everything we do must be based on our three values Commitment, Credibility and Together.

Commitment

We will seek solutions and act on sound values. We will demonstrate our commitment and accept any consequences of our shortcomings that may arise in every situation. Because we know that everything can be improved and developed further when we work together, we involve each other in decisions and do our utmost to find solutions that lead to continuous improvement.

Credibility

We display correct and professional conduct in every situation, and have such good, reliable systems and procedures that our customers can rely on us always to keep our promises, no matter the cost. We make sure our personnel are skilled, well-trained and committed and we achieve this through constant personnel development. We know that the Group's success depends on the diversity and skills of our knowledgeable employees.

Together

Our business culture is based on collaboration, where we interweave the knowledge, experience and diverse assignments of each of our companies and employees into a single strong unit. We always strive to collaborate with our customers as well as internally to allow us to grow together and work for openness and transparency in our expectations of each other.



The CEO's summary of the year

Continued growth and a focus on consolidation and digitalisation

The 2023 fiscal year was characterised by hard work in a troubled world where continued high costs and a recession affected people's purchasing habits. At the same time, many very exciting developments took place in the Group.

The three focus areas during the year were sales, the consolidation of our business and ongoing IT development.

In sales, we set up a coordinated sales group with participants from all companies collaborating on new business deals, thus creating additional growth. We also clarified to both existing and potential customers the services we offer.

It was most gratifying that Tempcon Norrland won a major procurement regarding distribution and long-distance haulage for various consumer non-durables throughout Norrland. This new assignment, which will begin in the first quarter of 2024, will form an important part of our continued development efforts in Norrland, which is a growing market for us. It's one of the Group's biggest assignments and we're very pleased and proud to enjoy the customer's trust.

During the year, we continued to consolidate our operation in order to benefit from synergies. For example, Tempcon Stockholm's business was consolidated into Klimat-Transport. Similarly, Logex's business transactions were transferred to Tempcon Norrland. The subsidiaries also work more closely together in such joint organisations

as PL Frakt and Erling Andersson Åkeri. The same goes for Klimat-Transport, Berneco and Syd Frys.

What's more, Mörarps Frystransporter will become part of Tommy Nordbergh Åkeri in the new year, while Berneco will form part of Klimat-Transport. Collaboration and consolidation will enable us to run a much more efficient operation and put the expertise the organisation possesses in various areas to good use.

I'd also like to mention that just before the new year we broke ground for the expansion of the Syd Frys installation in Hyllinge outside Helsingborg. The extension will double the storage space and increase warehouse capacity from today's 16,000 pallets to 36,000. The expansion forms part of a Syd Frys investment to meet increasing demand for the storage of frozen products.

As for the IT area, we continue to digitise our processes and integrate customer orders into our systems. Today, we're approaching 90 per cent digital orders. This is an initiative we've invested especially heavily in, in order to gain better control and reduce our dependence on external system suppliers.

I'd also like to mention that Shyping, a Widriksson's business area, will become a separate company within the Group as of 1 January 2024. Becoming a separate company forms part of the ongoing development of Shyping's digital TMS platform and other digitised services. Following Shyping's forthcoming development on the market promises to be very exciting.

Increased customer satisfaction

We work constantly on developing dialogues with our customers, not only in our day-to-day work, but also through structured questionnaires and customer surveys conducted by our subsidiaries. All in all, we can boast of being held in high regard by our customers, among whom we are renowned for maintaining high delivery and service standards. And as confirmation that our customers are satisfied, many of them choose to extend their collaborations and recommend new customers to us. But just because we have a satisfied customer group today, does not mean we can be smug or rest on our laurels. Maintaining our excellent reputation and continuing to deliver is a challenge we face every day, every time we meet a customer, every time we make a delivery or make a call. Challenges we will also overcome in 2024 thanks to our committed personnel and a continued high level of service.

Reduced environmental impact

One challenge facing us and the entire industry is our own and society's increasingly urgent demand for the green transition of our haulage. The tough targets we have set ourselves will require new working methods and costly investments. While this places great demands on our entire operation, it also offers many opportunities. There is a lot to be gained through innovative solutions and smart planning that reduces the carbon footprint of road haulage, not only in environmental benefits and customer satisfaction, but also in lower costs. Our goal is to move as much freight as possible with as few vehicles as possible. And when we succeed in doing so, we help reduce road traffic and carbon dioxide emissions and thus our environmental impact. We also minimise costs and improve the Group's profitability. We're working hard at continuing to reduce our climate impact. For example, together with our customers, we have greatly increased the pace of our work concerning completely fossil-free road haulage. We continued to invest in electric vehicles, mainly in the last-mile operation, and we currently have 17 EVs in the Group, two heavy and fifteen light, and an additional 64-tonne fully electric truck is scheduled for the early new year. Furthermore, we have around 50 gas-fuelled vehicles that also help to reduce our carbon footprint. And we can also see the impact of our earlier investments in solar cells, and we're proud that we produce a large proportion of the electricity we use ourselves. Solar energy is both fossil-free and renewable, and its impact on our climate is thus minimal.

Safe work environment

Issues concerning occupational health and safety have the highest priority in Tempcon Group. Regardless of the workplace, a good work environment is essential if people are to enjoy work, do a good job and succeed with life's juggling act. Our Group regards current legislation as the baseline in an industry in which we seek to be a role model. The major part of occupational health and safety work takes place in the subsidiaries. The comprehensive work completed in previous years has led to today's strong team whose capable employees are always ready to support the Group, the company and each other. In parallel with the systematic health and safety work with inspections and everything else related to safety, our subsidiaries have reference groups and hold employee surveys, quick surveys, staff days, training courses, information meets and much more. All in order to ensure, through dialogue, as safe and secure a workplace as possible. One in which we jointly develop the business to continue showing that our commitment and shared expertise enables us to offer a credible alternative for temperature-controlled logistics services.



Christian Hallberg, Group CEO



The value chain

Unbroken cold chain from producer to consumer

Tempcon provides services that safeguard the entire value chain from producer to consumer, from loading at the farm to home deliveries in town. The way we tailor and customise a solution depends entirely on the customer's unique requirements.

Transporting food is essential for a functioning society. Making sure schools, hospitals, grocery stores, households, retirement homes, restaurants and many others get their food is a job we take very seriously. We act for the long-term with a sustainability perspective throughout the value chain. On the next page you can see how our value chain looks, from loading down at the farm all the way to your shop or home and how we work at every step to make things as sustainable as possible.

Different types of emissions per scope

1. Own haulage - Scope 1

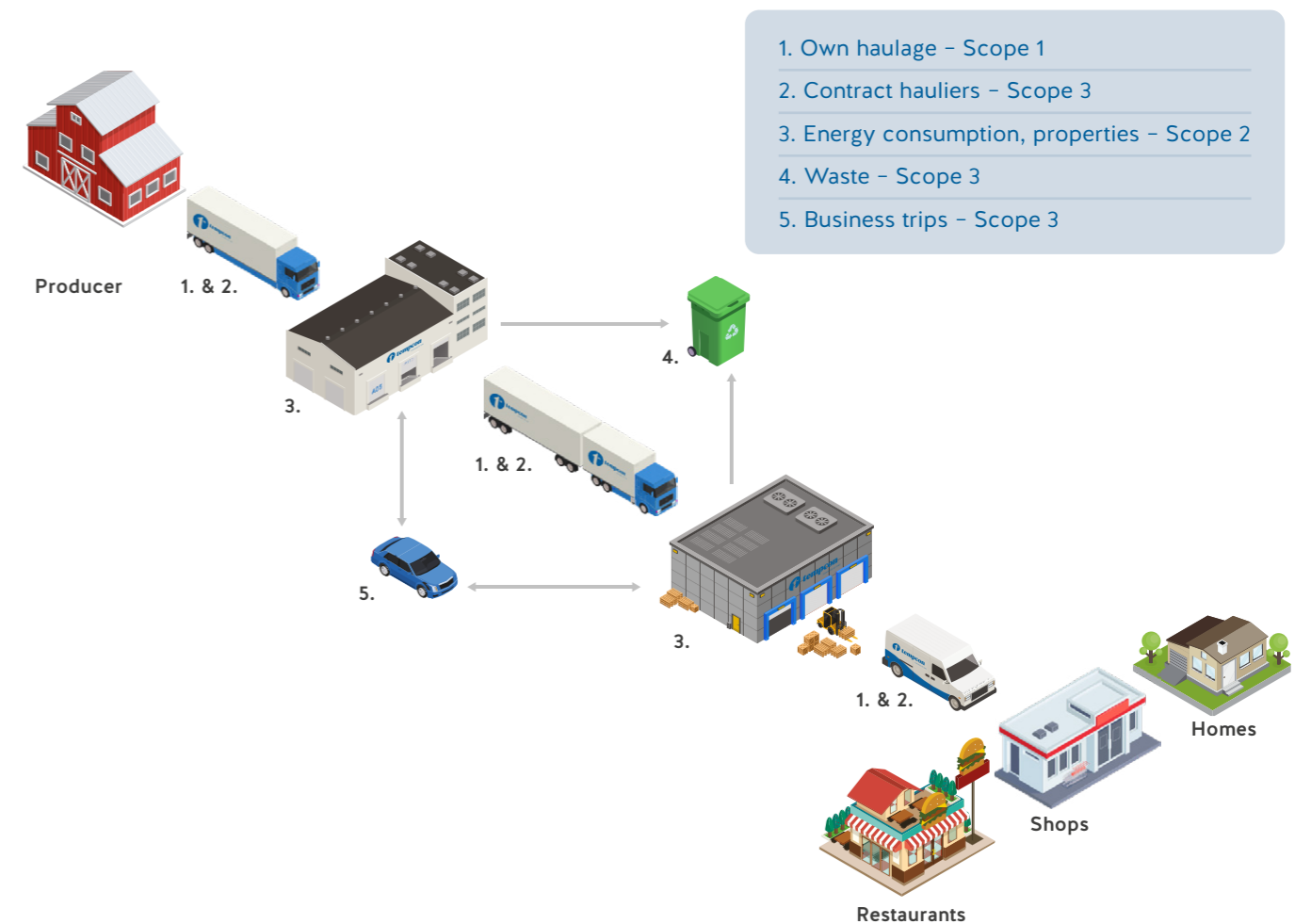
Our biggest environmental impact is from our own haulage. We drive thousands upon thousands of miles every year. Logistics, routes and fuel are continuously optimised. Read more about our impact on page 19.

2. Contract hauliers - Scope 3

We work closely with our contract hauliers to reduce their environmental impact as far as possible. Suppliers are assessed on an ongoing basis to make sure we meet customer requirements for environmental performance, a safe work environment, road safety and social responsibility. Read more on page 24.

3. Energy consumption, properties - Scope 2

Our large terminals consume a lot of district heating as well as electricity for chillers and refrigeration plants. We take energy-conservation measures and produce renewable electricity using solar cells to reduce our environmental impact. Read more about our energy consumption on page 20.



4. Waste - Scope 3

A lot of waste is generated in our value chain. Some waste is linked to our own operations in the form of end-of-life office supplies etc., while other waste is linked to customer goods in the form of packaging, returns and damaged goods. Also, dangerous goods constitute a minor part of the waste. Read more about our waste management on page 21.

5. Business trips - Scope 3

We limit business trips to those that are strictly necessary, and we hold virtual meetings to avoid unnecessary emissions. Of Tempcon's company cars, 57 per cent are hybrid or pure EVs. Rail is the principal means of transport for longer business trips.

We will carry out a Scope 3 GHG emission survey in 2024 to identify our biggest sources of Scope 3 emissions other than in contract haulage and business trips.

The value we create

We create value for our owners, society and customers through long-term focus, by striving for decent working conditions and satisfied customers and recipients. We exert a positive influence on society by developing sustainable haulage with our customers through the assignments we carry out. We can reduce the number of haulage trips in the community through smart planning, loading and co-distribution. This reduces congestion and contributes to a safer, more pleasant local environment.

Our goal is to move as much freight as possible with as few vehicles as possible. This allows us to reduce road traffic, our environmental impact and costs and also create profitability in the company for the benefit of our customers.

In doing so, we add value.

Tempcon's global responsibility and strategy

Tempcon Group's work for sustainable logistics has clear links to the UN's global goals for sustainable development. We have identified the categories where we have the ability to make the biggest difference.



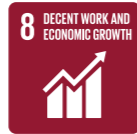
Increased urbanisation demands more climate-smart haulage. Tempcon reduces emissions and develops effective haulage solutions.



We have an imbalance in gender distribution among drivers, terminal staff and management groups. Additional initiatives are needed to improve gender equality.



Reducing environmental impact is the most important challenge of our times. Tempcon has ambitious goals for reducing its environmental impact in Scopes 1, 2 and 3.



A safe, healthy work environment is an important strategic issue for the entire Group.



Investments in solar cells are an important strategy that enables us to produce, use and provide renewable energy.



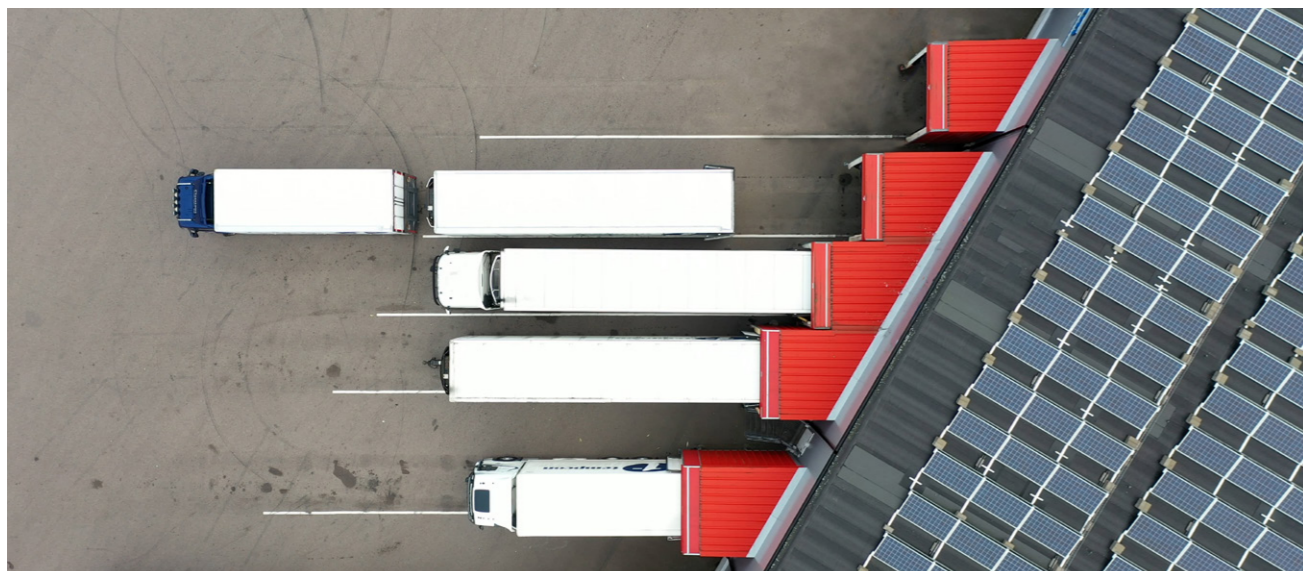
Tempcon ensures a responsible supply chain through close collaboration, frequent inspections and prompt follow-up.



Digital innovation is increasingly important for solving the sustainable distribution puzzle over the long-term. An extensive infrastructure expansion will be necessary for charging EVs and providing fossil-free fuels.



Tempcon is committed to social issues and works proactively to preclude corruption and bribery.



Tempcon's sustainability strategy

Tempcon strives to create a better future for people and the planet alike. The haulage industry has an important part to play in reducing emissions. Tempcon seeks to contribute to sustainable development and a sustainable society. Sustainability informs the entire operation in various ways.

Environmental sustainability

Tempcon reduces its environmental impact by developing, offering and conducting haulage with the least possible environmental impact. We measure and monitor our emissions in order to further reduce them. We work in energy-efficient terminals and invest in solar cells to provide and consume renewable energy.

an equal-opportunities workplace and a sustainable supply chain.

Financial sustainability

Tempcon strives to achieve sound, long-term financial development by streamlining operations and offering high quality. We have zero tolerance for corruption and work actively to promote sound business ethics.

Social sustainability

Tempcon is an attractive employer that cares about the health and safety of its employees. We work to achieve

Stakeholder dialogues

Tempcon Group conducts ongoing stakeholder dialogues to ensure development of its sustainability efforts, and it works constantly to achieve a sustainable future that meets the expectations of stakeholders and the demands of society. Such dialogues take place in various contexts such as customer meetings, employee reviews, board meetings and supplier follow-ups, etc. The dialogues help Tempcon better understand what the Group's stakeholders

expect of us and how business should be conducted and developed. They help us make informed decisions and provide an important input regarding how sustainability is prioritised in the materiality analysis.

Tempcon's most important stakeholders are its customers, owners, employees, suppliers and authorities, as well as society at large.

Stakeholder	Type of dialogue	Important issues
Customers	<ul style="list-style-type: none"> Regular follow-up meetings Customer surveys 	<ul style="list-style-type: none"> Customer satisfaction Reduced environmental impact Employee health and safety
Owners	<ul style="list-style-type: none"> Owner directives 	<ul style="list-style-type: none"> Reduced environmental impact Equal opportunities and treatment Employee health and safety Business ethics and anti-corruption
Employees	<ul style="list-style-type: none"> Employee appraisals Personnel meetings Training 	<ul style="list-style-type: none"> Employee health and safety Road safety Equal opportunities Work environment and working conditions
Suppliers	<ul style="list-style-type: none"> Drafting contracts Continuous contact Supplier assessments 	<ul style="list-style-type: none"> Long-term agreements and partnerships Environmental and sustainability work Reliability
Contract hauliers	<ul style="list-style-type: none"> Drafting contracts Continuous contact Supplier assessments 	<ul style="list-style-type: none"> Load factor Fulfil supplier agreements Living up to Tempcon Group's values
Authorities and society	<ul style="list-style-type: none"> Law monitoring Forums 	<ul style="list-style-type: none"> Reduced environmental impact Road safety Energy management

Materiality analysis

Based on the materiality analysis, we define the most important sustainability issues the Group must work with, report and communicate. We updated our materiality analysis work in 2023. This is the first step in our ongoing work on identifying, assessing and evaluating material sustainability issues based on their impact and significance. While this year's analysis did not take the double perspective into account in a double materiality analysis, preparations are in progress to do so in 2024.

Participants in the materiality analysis work were the Group CEO, CFO, Management Systems and Communications Managers. Participation was based on their professional roles as representatives of Tempcon Group and as sustainability experts.

The first step consisted of a review of earlier materiality analyses and an analysis of the external environment. Based on these analyses, a long list of material issues was identified, forming the basis for further work. In step two, we identified and analysed the impact on the external environment from the material sustainability issues from economic, environmental and social perspectives, including human rights. In the third step, final priorities were implemented by the Group's communications manager.

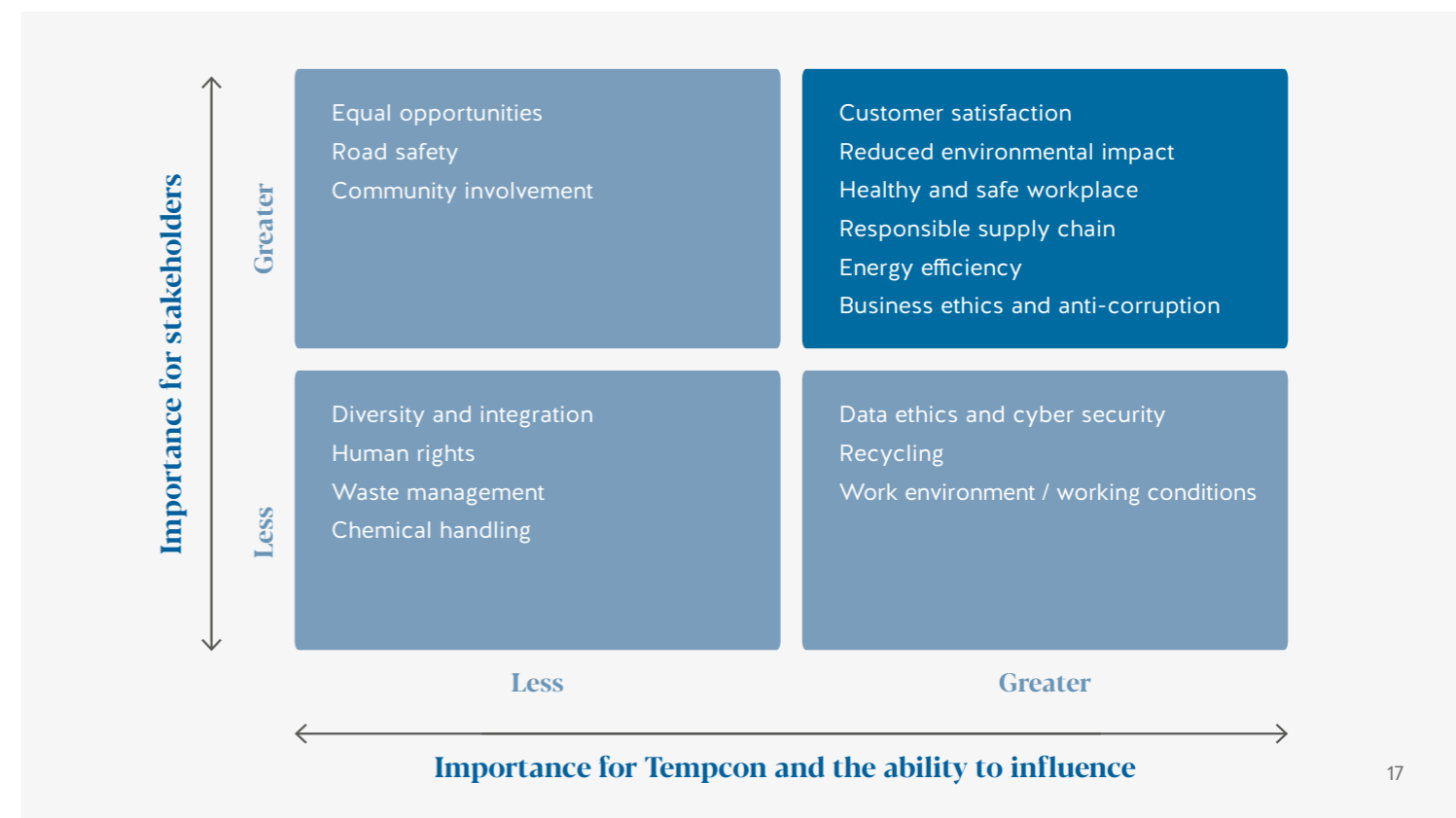
The results of the materiality analysis are presented further down on this page. In comparison with earlier materiality analyses, a number of issues have been replaced, and there is greater focus on the sustainability perspective. Also, a number of issues have been renamed in the interests of clarity. For example, the CO₂ issue has been reworded to *reduced environmental impact* and energy consumption to *energy efficiency*.

According to the materiality analysis, Tempcon's most important material sustainability issues are *customer satisfaction, reduced environmental impact, healthy and safe workplace, energy efficiency, a responsible supply chain, and business ethics and anti-corruption*. The areas cover the three dimensions of economic, environmental and social sustainability according to the following:

Environment: *Reduced environmental impact, energy efficiency*

Social: *Healthy and safe workplace; responsible supply chain*

Economic: *Customer satisfaction, business ethics and anti-corruption*



Risks

Risks may occur should Tempcon fail to identify and manage those related to the environment and climate, social conditions and corporate governance in accordance with the policy documents, guidelines, commitments and ambitions that form the basis for the Group’s overall sustainability work.

Tempcon assesses potential macro and micro environmental risks continuously in order to be prepared to minimise such risks and their possible impact. A major risk review is carried out every year based on probability and possible impact. Activities are specified in the strategy plan and followed up monthly.

During the year, IT system outages such as cyber-attacks, server failures and power outages were identified as the greatest risk in terms of probability and impact. A number of measures were taken to reduce such risks. During the year, IT security training in various modules was carried out by all IT users. Together with external parties, we held a workshop aimed at securing the ability to manage any IT outages in critical parts of the operation. The focus was on continuity and recovery planning to ensure structured, effective recovery in the event of an IT crisis.

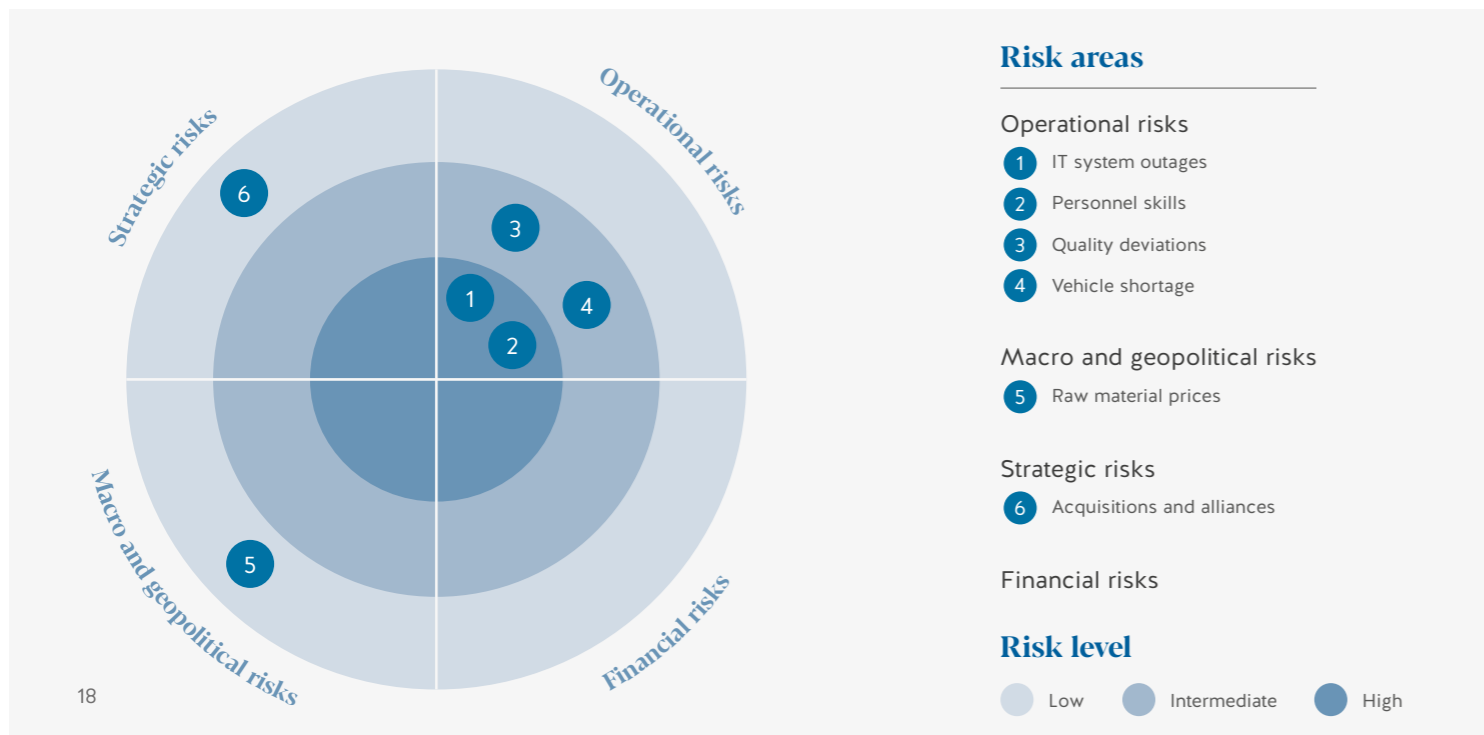
Recruiting and retaining staff with the right training and skills is crucial for Tempcon. The need for new drivers is a particularly critical area. Research by the Swedish Transport Unions’ vocational training and occupational health and safety committee (TYA), has shown time and time again that Sweden alone will have an annual shortfall of

5,000 new drivers over the next ten years. It is essential that Tempcon continue to work with the training and development of all employees.

To say the least, the price of fuel has been unstable in recent years and this naturally affects our industry to a great extent. Moving forward, the sharp increase in raw material prices, which will ultimately affect vehicle and spare parts prices, together with increasing concern regarding the development of our currency and the rise in interest rates, are also risks that must be given great consideration. To reduce risk, Tempcon applies fuel surcharges to customers whose contracts are not indexed. In the current situation with variable fuel prices, the surcharge is updated weekly.

Quality deviations involve direct and indirect costs and have a negative effect on the customer relationship. Constant dialogues with employees and specific systems for reporting deviations mean that measurements and actions can be taken to reduce the risk.

A vehicle shortage may occur in the operation during repairs, vehicle replacement and an expansion of the operation. Vehicles have had extremely long delivery times in recent years, largely due to a lack of components at suppliers. Tempcon has adopted a more long-term approach and uses a forecasting process for vehicle orders. The implementation of an in-house repair facility also reduces the vehicle shortage in the operation.





Environmental sustainability

Policy

The Tempcon Group must develop, offer and perform haulage with the least possible environmental impact. As far as is practicable and economically justifiable, we must conduct the company's operations to limit negative environmental impact, and make sure that good overall resource management, including recycling, is practised in the business.

We must meet or exceed legal requirements and those of others affected by the operation. We must work proactively to increase the understanding of environmental issues among our employees. We must apply a purchasing plan that seeks to minimise the environmental impact of vehicles, engines, fuels and chemicals.

We must collaborate with suppliers and customers on environmental issues, and these should be an important factor in procurements. We must maintain an environmental management system that strives for efficiency and constant improvement from both environmental and business perspectives. All employees must work preventively to minimise environmental impact. We must schedule driving such that it allows an eco-friendly driving style. In the environmental field, we must display expertise and act such that Tempcon Group remains at the forefront of our industry.

Environmental goals

Tempcon's long-term goal aligns with Sweden's climate policy framework, which states that the climate impact from haulage must decrease by 70 per cent by 2030 compared to 2010.

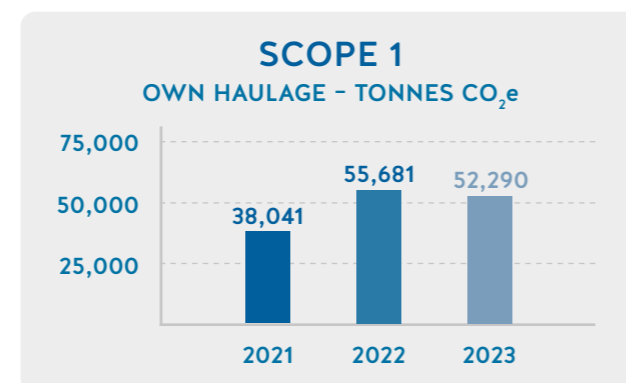
Tempcon's biggest environmental impact is related to Scope 1 emissions from its own vehicles, and purchased haulage (contract hauliers) in Scope 3. The goal is to reduce CO₂ emissions per driven kilometre by at least 15 per cent in 2024.

Reduced environmental impact

Tempcon works constantly toward acquiring a fossil-free vehicle fleet and to streamline haulage flows through route optimisation, groupage, load consolidation and economical driving. Together with our customers, we're picking up the pace in our work toward completely fossil-free haulage.

We continued to invest in electric vehicles in 2023, mainly in the last-mile operation, and we currently have 17 EVs in the Group, two heavy and fifteen light. Furthermore, we have around 50 gas-fuelled vehicles that also help to reduce our carbon footprint.

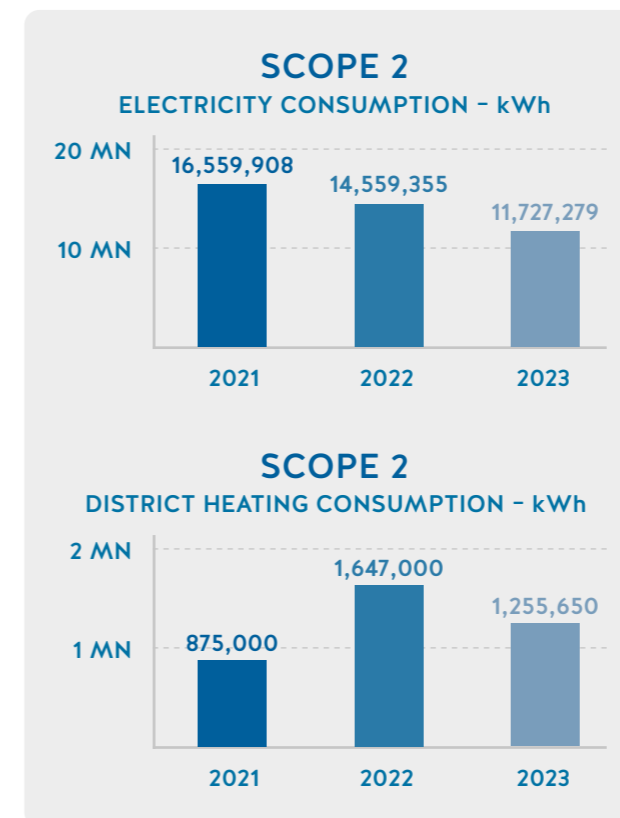
Emissions increased in 2022 with more companies and more in-house haulage, but decreased in 2023 when haulage was carried out to a greater extent by contract hauliers.



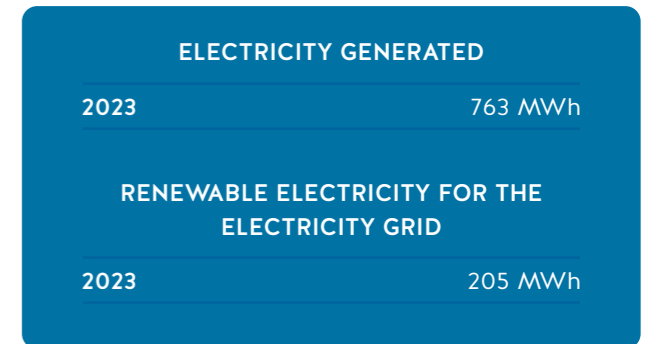
Energy efficiency

With its large warehouses and terminals with chiller and refrigeration plants, Tempcon consumes a lot of electricity and district heating. We work proactively to reduce our energy consumption. We reduce our energy consumption and thus our environmental impact by adapting the refrigerants in our warehouses and terminals. We optimise the use of our chillers and also review and replace our lighting with products that consume less energy, and we install motion detectors for the lighting.

At the same time, we note an increasing demand for electricity due to the increase in EVs. So it's important that we continue to work on energy efficiency and the generation of our own electricity.



Thanks to their large roofs that are well suited for solar panels, several of Tempcon's subsidiaries have invested in solar panel installations, and we're proud that we're able to generate a large proportion of the electricity we consume. Solar energy is both fossil-free and renewable, and its impact on our climate is thus minimal. What's more, any surplus electricity is fed into the grid, helping to provide more renewable electricity to more people.

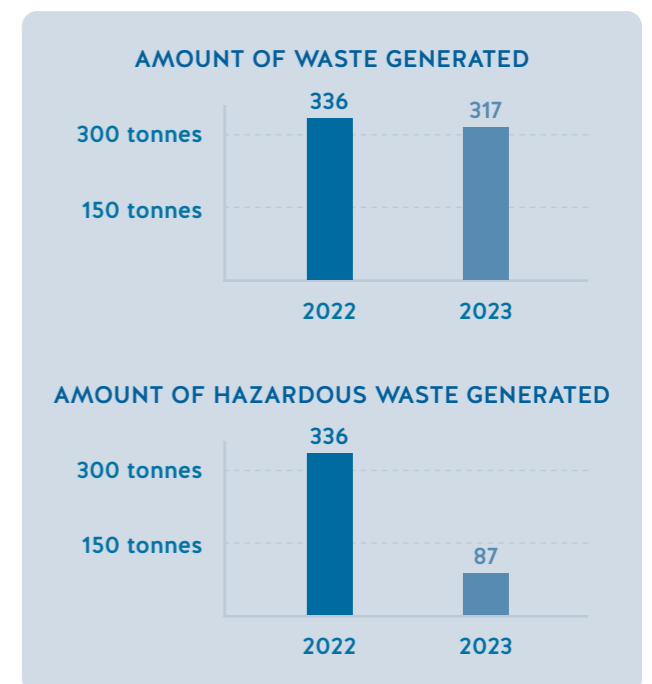


The Syd Frys warehouse in Hyllinge will be extended in 2024, and the roof will be fitted with solar panels. The electricity purchased by the Group's companies is 89 per cent green, with a guarantee of origin.

Waste – transition to a circular economy

First and foremost, Tempcon works to create as little waste as possible. This is the best way to reduce the consumption of Earth's resources and the impact on the environment. We try to reuse existing waste internally within the Group as well as externally.

When reuse is not possible, we recycle the material. Today, this includes fractions such as tyres, corrugated cardboard, plastics and scrap metal. The hazardous waste we generate is mainly waste oil from our workshops and sludge from truck wash bays.



Social sustainability

Safe, healthy workplace

Road safety policy

Our haulage must always take place safely and reliably, and our aim is to avoid any kind of accident. We work with preventive road safety to engender credibility and consensus among our employees, customers and the general public.

Guidelines

We work with guidelines and procedures that ensure road safety and we conduct self-monitoring for e.g.:

- speed
- alcohol and drugs
- driving and rest times
- seatbelt use
- use of hands-free phones

We also work with ongoing improvements, constant service and supervision of our vehicles. When acquiring new vehicles, we base requirements on road safety.

Our employees must set an example and adapt their speed to the prevailing road traffic situation and display the utmost consideration for other road users at all times.

Goals

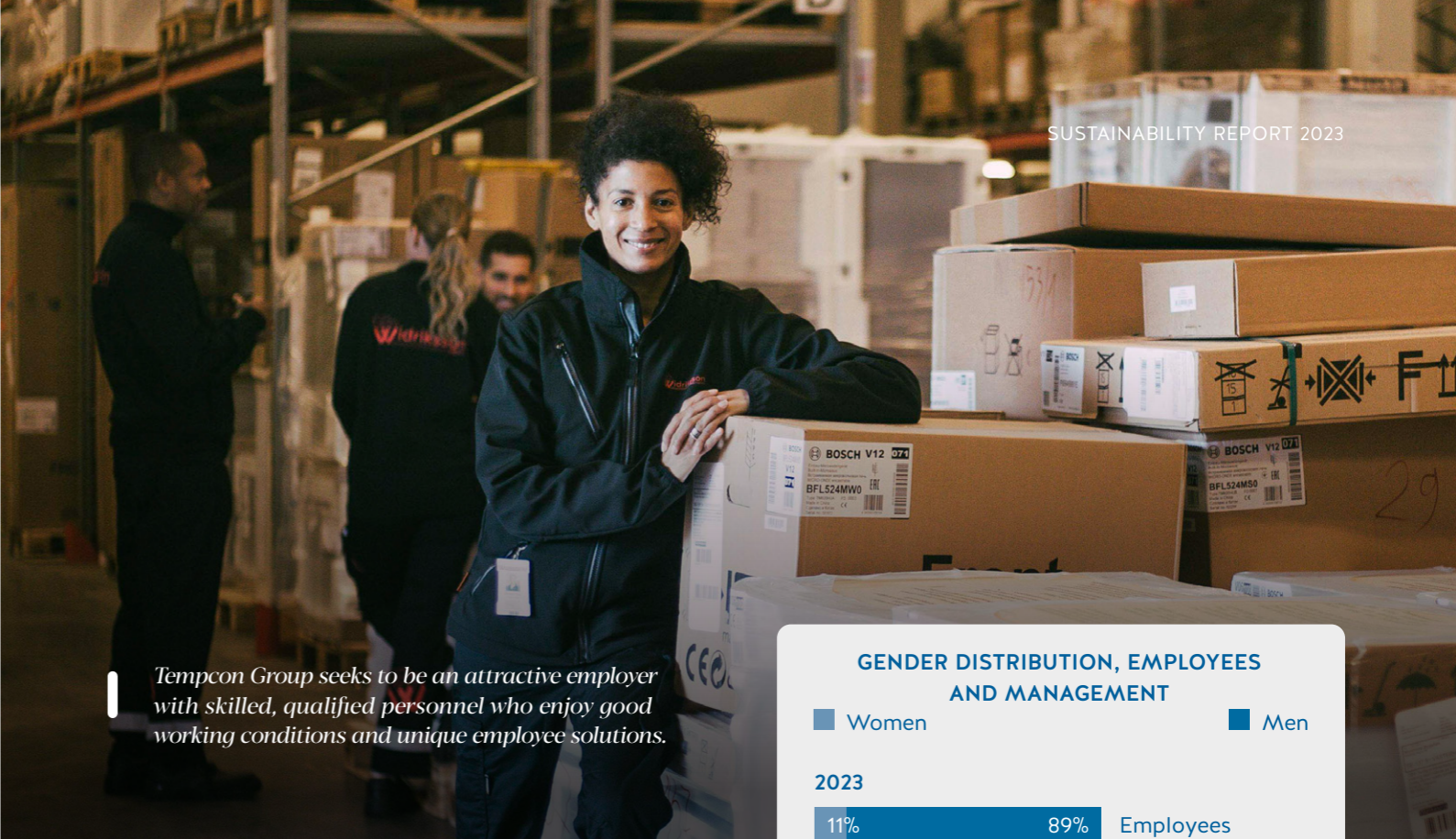
Tempcon does its utmost to prevent injuries and work-related ill health. In line with the Swedish Transport Administration's Vision Zero, the goal is for no one (zero people) to suffer a fatality at work or permanent harm from work-related injuries.

The goal for 2024 is to reduce the number of occupational injuries and work-related ill-health by 10 per cent.

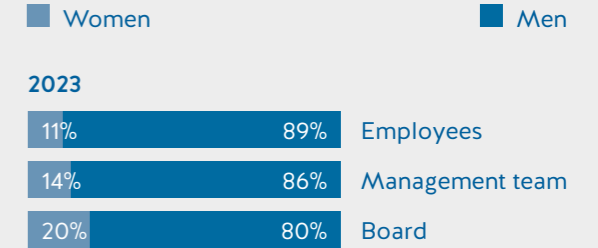
A safe, healthy work environment is an important strategic issue for the entire Group. We regard every case of work-related ill health, be it physical, mental or social, as a failure. The aim of our occupational health and safety work is to create a sound, stimulating workplace for every employee where the risk of occupational injury and work-related ill health is prevented instead of being managed.

According to a report from the Swedish Work Environment Authority in 2022, haulage and warehouse work is the most accident-prone sector in terms of the number of reported occupational accidents with sick-leave. Most injuries at Tempcon are strain injuries, injuries related to falls and pinch accidents, and injuries that occur in conjunction with loading, unloading and carrying goods.

The reason behind the increase in the number of injuries during the year compared to previous years is largely due to an increase in overtime. The shortage of drivers makes recruiting new employees difficult. Existing drivers have to work more and we note a correlation between overtime and an increased risk of injury. Being understaffed increases stress for our drivers and leads to more injuries. We work constantly to attract more qualified drivers to relieve the burden on our existing drivers. At the same time, we work preventively with safety and injury prevention.



GENDER DISTRIBUTION, EMPLOYEES AND MANAGEMENT



Equal opportunities

Equal opportunities policy

Tempcon Group works proactively for equal opportunities, which must apply throughout the entire Group. Equal opportunities must form a natural part of day-to-day work. Tempcon's equal opportunities work makes sure men and women have the same opportunities, rights and obligations, and any differences that only apply to one or the other must be addressed.

We must strive for the equal treatment of men and women and for an equal distribution of men and women across all departments, functions and levels. We must also work for equal opportunities, rights and responsibilities regardless of ethnicity, religion or other belief system, disability, gender identity or expression, sexual orientation or age. Working conditions, workplaces and work organisation must be so arranged that they are suitable for all employees. In matters of equal opportunity, Tempcon must be seen as an inclusive role model as a workplace and business partner.

It's important that we create conditions where everyone, regardless of their role, sex or identity, enjoys equal pay for equal work and has the opportunity to combine work with parenthood. We must also make sure no employee is subjected to sexual harassment or is harassed because a case of sex discrimination has been reported.

It is the responsibility of company management to conduct inclusive, targeted equal opportunities work within the Group, where the views, experiences and skills of men and women are valued equally. Everyone who works in the Tempcon Group must enjoy the same opportunities for employment, training and promotion. All managers are responsible for monitoring and making sure ongoing equal opportunities work takes place on a day-to-day basis. Managers must also document any active measures carried out such as the annual pay survey to detect, correct and prevent non-objective differences between men and women in pay and other terms of employment. Everyone in the Tempcon Group shares the responsibility for creating an equal workplace.

Equal opportunities work within the Tempcon Group

There is an imbalance in the distribution between male and female employees at Tempcon, which is partly related to the way driving trucks has historically been a male-dominated occupation. Even though we see a tendency toward change and an increasing number of women opting for driving as an occupation, we need to be more proactive in getting more women to apply for all positions within the Group, including in management and the board of directors in order to achieve a more balanced distribution between the sexes.

HEALTH AND SAFETY

	2023	2022	2021
Fatalities as a result of a work-related injuries	0	0	0
High-consequence work-related injuries	0	0	0
Recordable work-related injuries	70	61	20
Recordable work-related ill health	10	0	0
Fatalities as a result of a work-related injuries	0%	0%	0%
High-consequence work-related injuries	0%	0%	0%
Recordable work-related injuries	6%	3.9%	1.3%

Percentages refer to work-related injuries based on 200,000 hours and show the number of work-related injuries per 100 full-time employees over one year.



Responsible supply chain

Policy

Tempcon Group requires all of its suppliers, i.e. all companies that do business with any company within the Group, to adhere to the same ethical principles. To this end, Tempcon has drawn up a Code of Conduct for suppliers and subcontractors, setting out the minimum standards for doing business with any of the Group's companies.

Suppliers must comply with all laws applicable to their respective businesses. Suppliers must support the principles of the UN Global Compact and all of its underlying declarations and commissions, in compliance with national law and practice. Suppliers must in turn encourage their own suppliers to comply with the Supplier Code of Conduct as part of the fulfilment of their contractual obligations.

Our contract hauliers conduct a growing proportion of our haulage. This creates flexibility in production and reduces the need for in-house investments. Thus it's all the more important to have close partnerships with our contract hauliers, where we jointly set important parameters for our collaboration, such as high load factors, fair compensation, decent conditions and compliance with Tempcon's quality requirements, sustainability goals and values.

SCOPE 3 EMISSIONS FROM CONTRACT HAULIERS - CO₂E

2023	124,600 tonnes
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During the financial year, we improved the measurement of emissions from our contract hauliers in Scope 3. The quality of the measurements needs further improvement to reflect all fuel types and haulage by all contract hauliers and external suppliers.

Suppliers are assessed on an ongoing basis to make sure contract hauliers meet our requirements for environmental performance, a safe work environment, road safety and social responsibility.

In 2024, we will define our most important suppliers and make sure they sign the Code of Conduct. The goal is for 100 percent of our most important suppliers to sign the Code of Conduct.

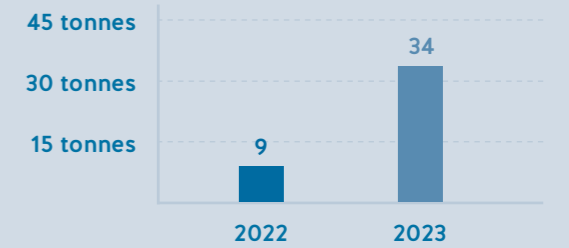
PERCENTAGE OF SUPPLIERS WHO HAVE SIGNED THE TEMPCON SUPPLIER CODE OF CONDUCT

2023	13%
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Business trips

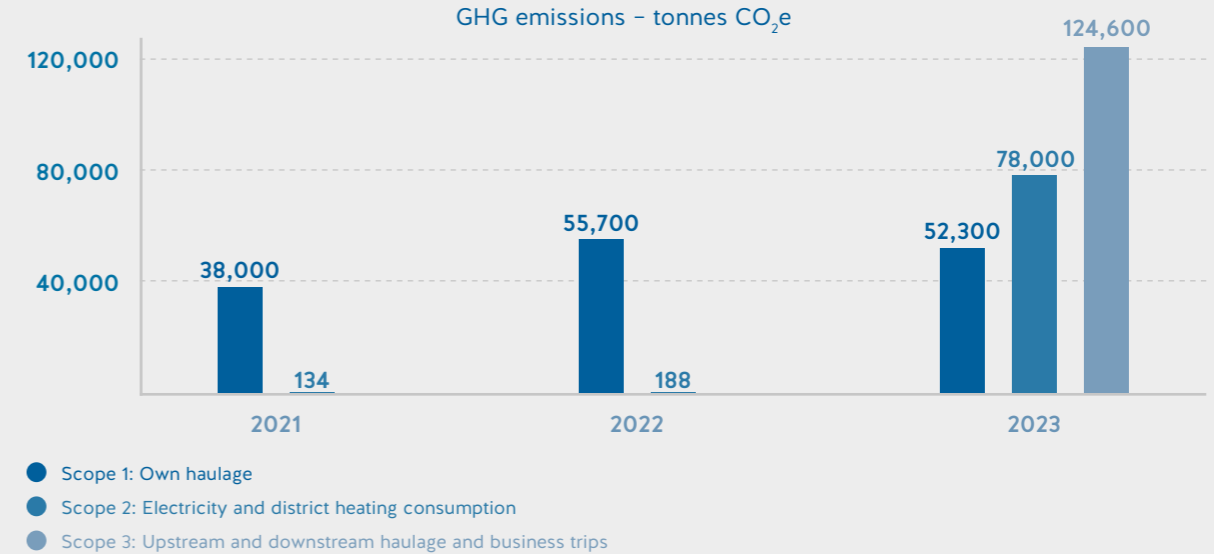
The number of business trips increased sharply in 2023. In 2022, travel was initially limited due to the pandemic. The Tempcon sales organisation established many new customer relationships in 2023, leading to an increase in travel.

SCOPE 3 EMISSIONS FROM BUSINESS TRIPS - CO₂e



SUMMARY OF CLIMATE IMPACT

GHG emissions – tonnes CO₂e



Economic sustainability

Customer satisfaction

Policy

Tempcon must haul goods carefully and in accordance with the requirements and instructions of our customers and in compliance with the regulations issued by the authorities. We must make every effort to provide services that exceed customer expectations. In doing so, it's crucial that we also maintain as high a level of service as possible. Our efforts must be guided by what is financially reasonable, adequately safe and technically feasible.

Our business should be of such quality that we are the go-to choice when shippers choose a carrier and logistics partner, and we should achieve this through committed, skilled and well-trained personnel and a modern vehicle fleet.

It is the duty of every employee to work constantly to improve our quality control to safeguard Tempcon's position as a leading business partner in temperature-controlled logistics. The Group and its subsidiaries are certified under management systems for quality (ISO 9001), the environment (ISO 14001), road safety (ISO 39001) and food safety (ISO 22000). We also work according to the principles of ISO 26000 (social responsibility) and ISO 27001 (information security).

Goals

We conduct customer satisfaction surveys throughout the year to find out what our customers need, and together with frequent dialogues with the customer, the surveys form the basis for our ongoing work toward continuous improvements in the operation.

Business ethics and anti-corruption

Policy - Code of Conduct & anti-corruption

Tempcon has zero tolerance for corruption. To make certain of this, joint guidelines in the form of a Code of Conduct, business policies and a personnel manual have been implemented throughout the Group and are regularly updated.

NUMBER OF CONFIRMED CASES OF CORRUPTION

2023	0
2022	0
2021	0

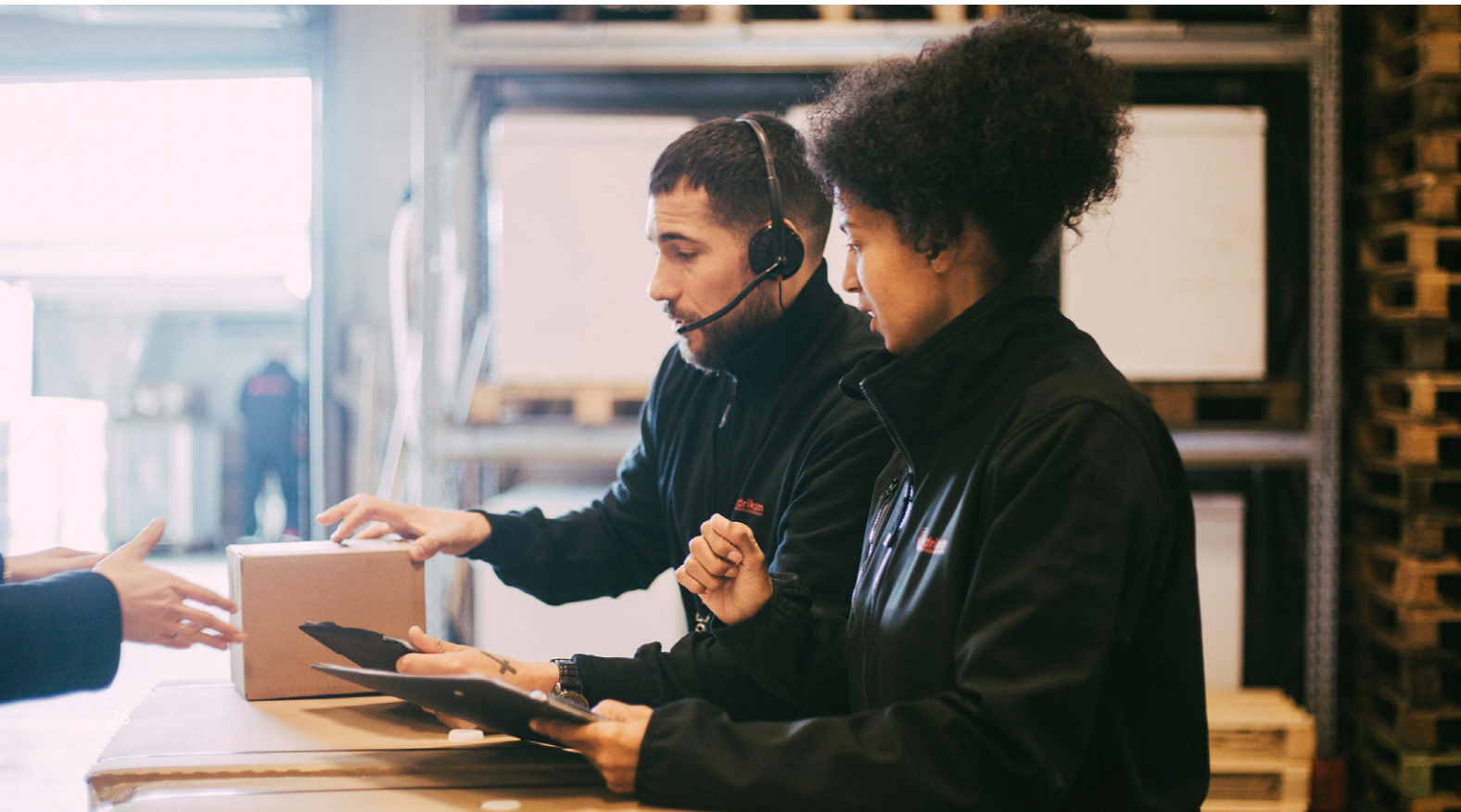
NUMBER OF CASES REPORTED THROUGH THE WHISTLEBLOWER SYSTEM

2023	12
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Whistleblower channel

Tempcon strives to have an open corporate culture with high business ethics, where the reporting of misconduct is encouraged and appreciated. Our employees, customers and suppliers are our most important sources of insight into any shortcomings that need to be corrected. To make it easier for our employees and relevant third parties to report serious incidents and irregularities, we have an external whistleblower channel through which people can safely and confidentially report any such irregularities.

Of all reported cases, 92 per cent were not deemed to be whistleblower issues such as bribery, corruption, serious security shortcomings, abusive discrimination, harassment and so forth, but were mainly about traffic incidents and problems with goods reception. In such cases, we handle the matters as deviations in the companies concerned.





Stable development and good growth

While 2023 was a very eventful year, it was also different in many ways. Unrest in the world at large continued while the recession maintained its grip on us and interest rates remained high. Prices in many areas continued to skyrocket, and volumes were on a roller coaster. Yet despite all of these negative factors, we had a really good year. We're bigger, better and stronger than ever, and this year our sales will exceed SEK 1.3 billion. Compared to others in our industry, we're making a profit we can be proud of. As usual, we will reinvest the profits in our business through continued investments in our personnel and vehicles in order to safeguard our future. Our growth allows us to develop constantly and offer a safe, modern workplace for everyone who works with us. It also allows us to invest in new technologies and a modern, sustainable vehicle fleet. It promotes our brand from the customer's perspective while also making us an attractive employer.

Increased customer satisfaction

Our team delivers year-after-year regardless of the challenges we face. Our loyal customers who commend our documented service and quality are ample proof of this. We know that many of our customers are sweet-talked by our competitors, but despite lucrative offers, our customers choose to stay as they know that few companies today can beat us in terms of service and delivery.

We also noted a major influx of new, smaller customers during the year,

which complements our business well. Although we often lead the charge for change and take a hit as the trail-blazer, customers who try something else choose to come back to us.

Reduced environmental impact

Tommy Nordbergh Åkeri has always been at the forefront when it comes to offering our customers haulage with alternative, more eco-friendly fuels. Today, gas or electric vehicles make up 25 per cent of the fleet, and our goal is for this to be one third of the fleet by the end of 2024.

Today, we no longer buy purely fossil-fuelled trucks, and we recently received our first, fully electric, 64-tonne rig. Because our experience from earlier EVs is very good, we hope the suppliers can bring down the production costs of such vehicles so they can become profitable alternatives for the future. In order to remain at the forefront and be the driver of development we intend to be, we participate in various research projects for tomorrow's haulage industry, among which E-charge is the most prominent.

Our goal is to become fossil-free as early as Q1 2024. We have hitherto noted a reluctance among many customers to pay for investments in alternatives with less environmental impact, but we have recently perceived a slight change in attitudes toward such issues.

Safe work environment

We take a proactive approach to

these issues and should any kind of harm occur, we cooperate with the Swedish Work Environment Authority, trade unions and insurance companies. We draw up action plans and train our personnel. For example, we now have hard-hats in all vehicles with clear instructions that they be used in conjunction with loading and unloading.

We also work proactively to reduce solitary work as far as possible. We have previously upgraded the office environment and we make sure personnel have all the technical assistance they need. We encourage personnel to use their wellness subsidy, and we also offer exercise with leaders every Thursday on a voluntary basis. It's important that we create good conditions if our personnel are to feel well and stay healthy.



Jonas Råstedt CEO



Tommy Nordbergh Åkeri industry winner 2024

Tommy Nordbergh Åkeri was the first company to join what was to become Tempcon in 2016. The company was recently nominated as Industry Winner 2024 in competition with all of Sweden's hauliers.

Every year, Branschvinnare i Sverige AB selects the companies who will receive the Industry Winner award based on the previous year's financial statements. An Industry Winner is a company that has outperformed developments in its own industry in terms of both sales and earnings. The average is calculated once a year and is based on all companies in the industry concerned.

Becoming an Industry Winner is an acknowledgement of Tommy Nordbergh Åkeri's hard work and its positive earnings, and the award also highlights the strong, skilled entrepreneurship in the winning companies.

"We are naturally incredibly proud to be appointed Industry Winner of the Year for 2024," says Jonas Råstedt, CEO of Tommy Nordbergh Åkeri. "And without our amazing team, we wouldn't have made it."





Challenging year bring record sales

The 2023 financial year continued to be characterised by unrest in the world at large, and is now combined with a weak krona and high inflation. This has led many consumers to choose other purchasing procedures in terms of their choice of store and the products they choose to put in their shopping cart. There was a marked decrease in e.g. fruit and vegetables with an extra trough during the summer, a decrease that was already felt right after Easter and which lingered until late September. Happily, we've seen a slight increase recently. Whether this is a temporary or more permanent change, only time will tell. During the year, our collaboration with sister company Berneco Transport was further consolidated after their move to us in 2022, and they will become an integral part of our operation as of January 2024. We also took over contacts with Tempcon Stockholm's customers in conjunction with the merger with AX Transport in Tumba.

Increased customer satisfaction

Customer focus is in our DNA. This is something we note in our customer surveys, where we consistently have very satisfied customers. But even though we get great responses today, we constantly strive to develop and become even better.

We place great importance on our personnel and their ability to develop personally at work through training and other needs-driven initiatives.

We make conscious efforts to help move customer brands and be present throughout the value chain and remain in constant contact to make sure customer goods arrive right on time, at the right place and at the right temperature.

Klimat-Transport has an excellent reputation in the market for delivering quality, and the trust our customers place in us creates growth through new and extended contracts with existing customers, and contacts with new customers recommended by them.

Reduced environmental impact

Klimat-Transport has been very busy for a long time reducing our climate impact, and we already had a terminal that was CO₂-neutral according to Scopes 1 and 2 a few years ago. Our premises are now also certified according to BREEAM, the most widespread system for environmental certification in Europe. We were high up on the scale here, too. But even though we've already come far in our work, it doesn't mean we can kick back and relax.

We collaborate with other companies in the region through our participation in the Helsingborg Declaration and take part in a number of different projects to achieve various environmental goals. We also work closely with our partners and hauliers to take additional steps towards reducing our climate impact.

Safe work environment

Our personnel constitute our most important asset. Thus we do everything to create a work environment that is as good as it possibly can be, where technical aids form an unquestionably natural part.

We have offered massages for many years, and we've set up our own gym in a small room here at the office. It's also important that we follow our staff and support them through their various stages of life, as different times of life may demand different conditions. Systematic occupational health and safety work forms a naturally integrated part of our day-to-day operations.

We work to create a family atmosphere where we help and support each other, and proof of our success is a personnel turnover close to zero in the office in recent years, and very low turnover on the terminal side.



Mats Söderström CEO



Challenging year in a volatile market

It was a challenging year, and 2023 saw one or two of our larger and oldest partners lose their businesses through e.g. new ownership structures and changed assignments. This naturally involved major changes to our business, while we were also challenged by a volatile European market. Ferry prices rose sharply and Germany raised its road tax by 84 percent, and at the same time prices came under great pressure. A great deal of effort was put into reducing costs, increasing efficiency and seeking new collaborations. These efforts have yielded results as we have several new deals in progress in 2024. This took place while Berneco Transport was integrated as part of the Klimat-Transport organisation. Business there will continue with the same highly skilled team of traffic leaders, but under the Klimat-Transport flag.

Increased customer satisfaction

Berneco Transport has always stood for quality and a level of service beyond the ordinary. It has a family atmosphere and on-call service 24 hours a day, seven days a week, 52 weeks a year. We were also early adopters of various IT systems, and this enabled us and our customers to track goods in real time while monitoring temperatures.

From day-to-day responses and the customer surveys we conduct, we know that our customers are

very satisfied with the work we do. This also shows when our customers remain with us while often choosing to extend our collaboration. And if we ever lose a customer, it's due to circumstances beyond our control.

Reduced environmental impact

Berneco Transport has no vehicles of its own in its operations, and its office today is at Klimat-Transport, which has always been streets ahead in terms of efforts to reduce its climate impact. Instead, we remain in constant dialogue with our carriers as to reducing their emissions, and we demand they always use the most modern vehicles in order to reduce them.

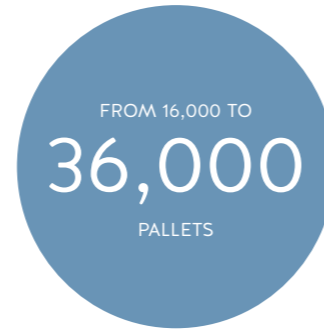
Meanwhile, we should remember that we operate on an international, European market, and we should note that Sweden is very far ahead in these issues. On the continent, trucks run mostly on diesel, and if we are to assert ourselves against them, our cost-volume profit must be comparable to that of our international competitors. Change will also take place down on the continent, but it will come slowly and take time.

Safe work environment

As with Klimat-Transport, with whom we have been together for more than a year, our personnel are always by far the most important asset. It's thanks to their professionalism,

expertise and attention that we can do our work and maintain the desired high level of performance toward our customers.

Thus they must naturally enjoy the best conditions for carrying out their work, such as technical aids, a good work environment and opportunities for personal development. The opportunity to use the gym on our premises or enjoy a massage or similar, form natural parts of our work environment efforts.



A new organisation strengthens the business

On 1 February, an organisational role swap took place when Mats Söderström, CEO of Klimat-Transport, also took over the position of CEO at Syd Fry's from Fia Andersson, who took up a new position at Group level. At the same time, responsibility for Mörarps Frystransporter was transferred to the Tommy Nordbergh Åkeri organisation. The new organisation can make better use of the synergies between the companies even though Syd Fry's and Klimat-Transport worked together much earlier. The new organisation will allow greater benefit to be drawn from the whole, and development to continue, using shared resources. Moving forward, getting Syd Fry's to continue growing is an exciting challenge, and new customers joining us means we're off to a good start. We concluded the year with one of the Group's biggest investments through the construction of a new facility next to the existing one in Hyllinge. Storage space will practically double and the number of pallet spaces will increase from today's 16,000 to 36,000 spaces. The project was made possible by concluding new, exciting customer assignments. Today, Syd Fry's is a company that exudes optimism for the future.

Increased customer satisfaction

Syd Fry's is renowned for being a company with a family atmosphere whose people help and support each other and their customers. It delivers that little extra with a fighting spirit that helps them get the job done.

As a result, customers stay and Syd Fry's has a history that goes back a long way with many of its customers. While Syd Fry's is maybe known for not being the cheapest option on the market every time, customers know they will get what is promised and that the company maintains very high delivery performance.

Reduced environmental impact

As with Berneco and Klimat-Transport, our operation owns no vehicles. This means that we have to focus on other areas to reduce our climate impact. Historically, these issues were not given high priority as they concerned an old property whose conditions were not the best.

However, we have done what was possible by changing the refrigerant to ammonia, which is better for the environment, and we purchase environmentally certified electricity and similar. The new construction means we're creating entirely different conditions for more proactive work on these issues. Among other things, the entire new plant will be fitted with solar panels, and many other exciting things are in the pipeline.

Safe work environment

As for the work environment, we should remember that operations today are conducted in premises that have their best years behind them. It's why we always invest in good tools and equipment to make work easier. For example, several years ago we invested in a robot to

take care of certain monotonous tasks. But even though the premises are a bit old, we can tell that our personnel are happy, partly from the responses we get in our employee surveys, and also because employee turnover is so low. Several of our employees have worked here for 25, 30 years. In conjunction with the new construction, personnel and office spaces will also be upgraded and modernised, and the new chilled and refrigerated storage will be of the best, most modern standard.



Mats Söderström CEO



Continued focus on close customer relationships

We had a tough start to the financial year when we lost one of our major customers due to organisational changes at their end. We'd been working with them for more than 25 years. However, this change opened doors to new collaborations, and the new customers we have today, as we summarise the year, more than make up for the revenue we lost. In order to meet increasing demand and render handling more efficient at our terminal, we renovated it during the year and it now has new cold storage that will better meet the demands of the future. We also note that the volumes to the Norwegian border that disappeared during the pandemic have returned in full, except on the vegetable side, which has generally declined due to the current economic climate. Last summer also presented a few challenges as it's traditionally a very busy period for us here on the Bohus coast. Although the summer began well, things came to an abrupt end in early July due to the weather. However, we note stable growth and good volumes in general, which is a good start for the years ahead.

Increased customer satisfaction

Our motto has always been that we should not work *for* our customers, but *with* them. Because we always seek to provide the greatest benefit and service to the customer, we tailor setups to optimise operations while also getting a little closer to the customer. We regularly follow up our collaborations and customer relationships through frequent talks

and hold at least three production discussions every year. We combine this with annual customer surveys, from which we have consistently enjoyed very positive outcomes over the years. In order for the customer to feel noticed, and for us to have clear, direct dialogues in the day-to-day work, most customers get their own traffic manager whom they are always able to contact. This is highly appreciated as it helps build an understanding and connection between us and the customer that we both benefit from.

The Group's Wker app is an important tool that enables us to quickly manage deviations and other contingencies and provide our customers with the best possible service. It has allowed us to increase reporting speed even at night, and lets us stay one step ahead at all times. In our eyes, Wker is a fantastic tool.

Reduced environmental impact

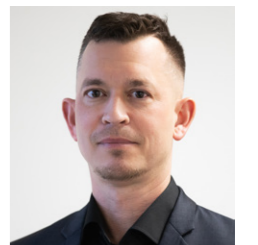
The general focus in the industry on reducing our environmental impact decreased a little during the pandemic but has returned, and it will be one of the more significant issues in 2024. We're also facing numerous challenges, especially on the fuel side. For example, there is no biogas station in Uddevalla, and although we can already offer customers carbon offset haulage, interest is virtually non-existent for financial reasons. However, compared to a few years ago, we're receiving an increasing number of enquiries that emphasise environmental issues. In the short term,

we're continuing to work on rejuvenating our vehicle fleet, and in doing so we acquire vehicles with a smaller impact on our shared environment.

Safe work environment

Occupational health and safety issues have always been Alpha and Omega at PL Fraktservice. Our personnel are our most important asset, and considering the challenge of finding new employees, personnel turnover is just not an option. Continuity is essential. It is through continuity that we build good relationships with our customers, reduce damage to our vehicles, handle goods correctly and help our personnel enjoy their work. We maintain constant dialogues with everyone, and our management team all have natural intuition and are great judges of character.

We also devote a great deal of time to creating the conditions for future colleagues, i.e. upper secondary and adult education students, by fostering suitable, committed supervisors and ensuring interesting traineeships. Marketing does not get better than this. We can tell we're on the right track as students prefer to come to us, and no fewer than 20 per cent of the last cohort have begun working at PL Fraktservice.



Peter Friberg CEO



Changing volumes create conditions for a new haulage organisation

The year got off to a good start with a major new assignment that keeps five rigs busy every day to Gothenburg. But it was also a challenging year as we entered a recession and noted changes in purchasing behaviour that affects haulage volumes. For example, fruit and vegetables have decreased by up to 15 per cent, and it's now essential we keep our ears to the ground and confront the challenges we face pro-actively. Consequently, we carried out a review of our operations, and this has led to our using contract hauliers to a greater extent than before. By achieving a better balance between our own and leased resources, we can meet the challenges we face more effectively. However, during the latter part of the year, we noted increased movement in the market as the number of enquiries has risen sharply. Something that bodes well for the years ahead were the new agreements we signed during the year while holding on to those we want to keep.

Increased customer satisfaction

We maintain close contact and dialogues with our customers from whom we get good feedback concerning the services we deliver and our approach. We also make sure personnel in every position take a personal approach to our customers, and always deliver that little unexpected extra.

The best endorsement of our work is when our customers stay with us

and we get new customers on their recommendation. While we have not previously conducted any major customer surveys, we will do so in 2024.

Reduced environmental impact

While we can offer our customers a number of different solutions to reduce our joint impact on the climate today, there is very little interest from most customers. They are unwilling to pay the increased cost of haulage that such measures entail. We will nevertheless continue to offer these services as we're confident that more customers will demand such haulage the closer to 2030 we get.

Instead, we're currently working to better adapt our vehicles to the assignments they have by e.g. more actively choosing engine size while also spending a lot of time optimising our fill rates. The major changes we made earlier to the lighting in our terminal and warehousing operations have provided many positive results in terms of both energy and costs.

Safe work environment

It's not very long since we began doing systematic health and safety work, but today we regard it as a natural part of our day-to-day work. We conduct regular safety inspections, and we were recertified during the year with very good results. We have equipped all vehicles with hardhats for the drivers following one or two incidents when loading and unloading with booms.

We also inspect all vehicles to make sure they have the right equipment for their assignments, and that the equipment is intact, in working order and is a well-functioning, fit-for-purpose tool. Together with our personnel, we work to constantly improve and bring about as safe and secure a work environment as possible for all employees.



Urban Andersson CEO



Abbekås Transport & Logistik joins Fair Transport

Another of our subsidiaries joined Fair Transport during the year. This time it was Abbekås Transport & Logistik, based in Staffanstorps with traffic throughout the south and central Sweden, that joined. Urban Andersson, CEO of Abbekås Transport & Logistik, sees many advantages in joining Fair Transport. It's associated with quality, high environmental standards and with being a fair employer. This strengthens the brand and is an important part of the company's endeavours to become the go-to choice for temperature controlled haulage in its geographical area, while also attracting new employees and retaining those already here today.

Urban thinks that the certification process went smoothly as they already have many of the values needed since they are certified according to four ISO standards, 9001 (quality), 14001 (environment), 22000 (food safety) and 39001 (road safety). Reactions to the certification have only been positive thus far, and it also sends a clear signal to the market about the directions our ambitions have taken.

Fair Transport was founded by the Swedish Road Haulage Association in 2012. At the launch a few years later, the Fair Transport certification supported the promotion and awareness of healthy haulage provided by responsible hauliers. Hauliers that drive safely, think climate-smart and offer good working conditions. Fair Transport has developed over the years and in 2021 it became a sustainability certification for road haulage companies. A sustainability certification that enables carriers and haulage buyers to collectively move towards achieving high environmental and climate goals, healthy competition on equal terms and come closer to Vision Zero for road safety. The certification is reviewed every year by a third party to ensure high standards are maintained.



Internal consolidation for greater control

Since becoming part of Tempcon, our operation has seen a major increase in volumes and we've virtually doubled our sales to around SEK 400 million. This requires a completely different organisation than before and we're still trying to find the perfect model. We began the year with personnel in both Gothenburg and Linköping, but during the year we took back traffic to Skara from Gothenburg and will do the same with Linköping as of the new year. We are doing so to gain more control. Because we've also noted overcapacity on the market, we will deliberately increase our freight forwarding and reduce the amount of in-house haulage by around 16 per cent down to 80. Even though 2023 was an unsteady year with a fast pace at the beginning of spring that slowed down after midsummer, we initiated many new partnerships. There's also a lot in the pipeline for 2024, so we're looking forward excitedly to the new year. We also began working more closely with our sister company PL Fraktservice during the year, which has provided new energy and great synergies.

Increased customer satisfaction

Following ISO certification last year, we now conduct two major customer surveys every year. The surveys, together with daily customer meetings and customer dialogues, give us a good overall picture of how customers see us and how we can continue developing our business. While the response to our work in the surveys

is good, we must not kick back and relax, but work constantly with changes and improvements. Being much closer than before, the dialogues we have with our customers today are completely different. We get involved in processes much earlier and are able to exert an influence and help our customers develop their logistics. Where should the warehouse be located? How do we optimise flows between the warehouse and factory? We also benefit greatly from all the expertise available in the Group.

Reduced environmental impact

A few years ago, we were completely fossil-free, but today only around 32 per cent of our overall haulage is fossil-free. The change is mainly due to the unwillingness of customers to accept the additional cost of fossil-free haulage today.

Whenever we calculate new business transactions, we always quote two prices, one fossil-free and one with fossil fuels. Unfortunately, there are still many who decline the fossil-free option, while many companies have their own goals of being fossil-free by 31 December 2025. A great deal will have to happen very soon if we are all to live up to these goals.

We also offer our customers the opportunity to offset their carbon footprint from haulage by planting trees. While many appreciate our offering this option, no one has chosen it.

Safe work environment

We're continuing our work environment initiatives and conduct employee surveys twice a year. These are an excellent complement to the Drivers' Council we recently set up and which meets three times a year to discuss various issues. The Council has proved to be a very good forum for holding close discussions on work issues in general and especially with a focus on work environment.

Recently, a lot of our work has dealt with stress-related issues and how we can minimise stress factors in day-to-day life. Because if we can reduce stress, we will also reduce damage to vehicles and goods, our personnel will feel better and at home in the workplace, and will also enjoy a more relaxed approach to life away from work.



Stefan Ohlmander CEO



EA Åkeri in Skara certified under Fair Transport

Another Tempcon subsidiary is now certified according to Fair Transport. This time, it's Erling Andersson Åkeri with its head office in Skara and traffic all over southern and central Sweden and even the north. Stefan Ohlmander, CEO of EA Åkeri, says he is proud that we passed certification for Fair Transport, the haulage industry's sustainability certification for goods haulage by road. As certificate holders, we show that EA is a serious player in the market and one that takes great responsibility. It will not only strengthen our brand, but also our competitiveness.

Fair Transport is associated with quality, high environmental standards and with being a fair employer. The person responsible for completing the extensive work prior to certification was Emma Sandberg. In her day job, she works with the company's management system and monitoring driving hours and rest periods.

Did already being certified under four ISO standards, 9001 (quality), 14001 (environment), 22000 (food safety) and 39001 (road safety), make Fair Transport certification easier?

"Sure, I benefited greatly from already having the necessary documentation thanks to our ISO certifications, but there was still an extensive amount of effort involved in getting everything together for Fair Transport," says Emma "There's a lot of material that has to be produced and adapted to Fair Transport and it's essential to keep track of everything."

What was the biggest challenge with the job?

"The entire job per se," volunteers Emma. "Even though it was a big job that took a lot of time, it was a great project."

What are the benefits of Fair Transport certification?

"I'm certain that we've increased our competitiveness," says Emma. "And that we're a serious market player that is able to attract new employees and customers."

Fair Transport was founded by the Swedish Road Haulage Association in 2012. At the launch a few years later, the Fair Transport certification supported the promotion and awareness of healthy haulage provided by responsible hauliers. Hauliers that drive safely, think climate-smart and offer good working conditions. Fair Transport has developed over the years and in 2021 it became a sustainability certification for road haulage companies. A sustainability certification that enables carriers and haulage buyers to collectively move towards achieving high environmental and climate goals, healthy competition on equal terms and come closer to Vision Zero for road safety. The certification is reviewed every year by a third party to ensure high standards are maintained.



Focusing on stability

In Q1 2023, we wound up a major assignment that we'd been running for many years. It represented almost 20 per cent of our sales and the change to our operation was naturally great. Now, as we summarise the financial year, we note that we've recovered some of the loss. As a result of this loss, our focus during the year was on developing collaborations in existing customer relationships while working single-mindedly toward a more stable delivery and a continued high level of service. We have seen this work yield fruit. We now work with shorter planning cycles, which leads to engagement among employees and better opportunities for involvement while creating the conditions for bold decisions. We also break targets down into shorter periods the better to clearly define what needs to be done.

Customer satisfaction

We worked proactively during the year to increase customer satisfaction. Our actions led to improved delivery performance, a more efficient back office and traffic management, and several requests from existing customers for and expansion of the business. This is a clear sign that our customers are satisfied with our services, and it aligns with our long-term strategy of growing together with our customers.

We have worked to improve our planning skills and have begun consolidating our flows in a planning tool – Shyping. We also trained our employees in the special customer

requirements that exist in each unique customer assignment, which led to a better understanding of the need for efficient, correct deliveries. Our deviation management and follow-up were also strengthened by the implementation of Zendesk. All in all, this has led to an increase in our delivery precision – that we deliver the right goods, to the right place, at the right time.

Ahead of our most challenging period in the summer, we began a very focused effort to make sure this summer would be brought to a successful conclusion without affecting quality. The work yielded results and later, we were able to look back on our best summer yet in terms of our KPIs.

We also strengthened our customer relationships by establishing the customer perspective in all of our forums. This means we respond to the customer's perspective with humility and a focus on our performance per se according to the customer's wishes. We are very pleased with the results we achieved in 2023, and we will continue to work hard to further increase customer satisfaction in the years ahead.

Reduced environmental impact

As everyone knows, haulage has a major impact on the climate through greenhouse gas emissions. For us, this means the choice of fuel is one of the most important environmental aspects. Since 2017, we use only renewable fuels such as HVO, biogas and electricity. We have also done so this

year. HVO prices in 2023 were very high and we worked very hard during the year to streamline haulage as much as possible.

The scrapped biogas tax deduction was also a spanner in the works and with the prevailing uncertainty, we're unwilling to make further investments in biogas. With the transition to renewable fuels already in place, we're investing in reducing emissions from haulage by switching to even better vehicle alternatives. A combination of electric vehicles and gas vehicles forms the basis of our ongoing fuel and vehicle strategy, and we will therefore replace diesel vehicles that run on HVO with electric and biogas vehicles on a continual basis. This will allow us to continually reduce our emissions and our environmental impact.

We invested in three new light electric vehicles in 2023 for last-mile haulage, which means we now have 13 electric vehicles in the fleet, and the first in Gothenburg is now also in place. Our ongoing investment in electric vehicles also means we need battery charging stations. Consequently, we installed a fast charger at the terminal in Västberga during the year. The new harging station has two charging points and enables charging up to 80 per cent in around 15-45 minutes. We're also working proactively on the transition to EVs together with our contract hauliers. Our long-term goal is to offer climate-positive distribution by 2030.



Safe work environment

During the first half of 2023, we implemented a major training package, and this year it also included important aspects of health and safety work, all in order to raise everyone's awareness and knowledge about these important issues. Our health and safety committee convenes every quarter and we hold operational safety meetings every week in between. The ability of drivers to report deviations, incidents

and similar quickly and easily, is an important part of the health and safety puzzle, and the Group's intranet app Wker plays a very important part here.

We also invested in a training package for managers and leaders, and several attended practical work environment training (PAM), combined with training in labour law. During the year, we also began a collaboration on a new occupational

health services system that is better suited to our operations.



Foed Meliane CEO



Electrified distribution from IKEA Stockholm

Widriksson Logistik continues its efforts to offer the market climate-positive distribution in 2030. Because the electrification of distribution is a step in the right direction, we will begin handling parts of IKEA Sweden’s last-mile distribution flows in Stockholm using fully electric light trucks. These trucks are now being deployed for distribution from IKEA’s store in Kungens Kurva and for e-commerce deliveries in southern Stockholm. In conjunction with this, Widriksson will be the first logistics partner with IKEA-branded trucks in Sweden.

The company has handled distribution from IKEA’s stores in Kungens Kurva since 2013, and it has also handled the last-mile flow of e-commerce deliveries in southern Greater Stockholm since 2018. In 2013, the companies made a joint investment in a biogas station for IKEA in an early contribution to fossil-free deliveries.

Widriksson has purchased three 3.5-tonne EVs, two of which will handle IKEA’s flows and be clearly marked IKEA. With the new vehicles, Widriksson’s current EV fleet consists of 13 vehicles. More EVs form an important part of the company’s long-term strategy, and the three new vehicles are another step along the way.

“Electrifying the last mile for IKEA in Stockholm is a milestone and an important step on our continued

journey to electrifying our haulage, an investment based on well-considered choices,” says Christel Grip, Head of Sustainability at Widriksson Logistik. We have succeeded in building an electrification infrastructure with regard to the life cycle perspective, and have secured charging capacity for our property with self-generated electricity from our solar panel installation and electricity that bears the Good Environmental Choice eco-label. We’re now looking forward to continuing to develop our sustainable haulage together with IKEA.

The tone is positive at IKEA, too.

“At last, people can see our EVs driving through the streets of Stockholm to deliver products to our customers,” says Hanna B Broman, Country Customer Fulfilment Manager, IKEA Sweden. We have come this far thanks to the collaboration with Widriksson, our local partner, and it really shows the importance of finding ways forward together in a situation that presents many challenges when it comes to solving the electrification of our deliveries.

The vehicles purchased are of the type Maxus e-Deliver 9 with a cargo box and tail lift. They have a load weight of 750 kg and a range of 150 kilometres.



Continued restructuring means clearer customer relationships

The work that was begun last year on creating core business operations between companies in Norrland continued during the year, and today Tempcon Norrland is a forwarding company while Logex and Food Cargo Nord are hauliers. We also implemented certain structural changes in the transport sector where we chose to invest in more partners rather than our own traffic, and we have noted major synergies in allowing sister companies to take over certain regular services. This has resulted in greater efficiency and better economy for all involved. During the year, we focused sharply on quality and our production deliveries to customers, where we have set requirements more clearly based on a better follow-up of the operation. All in all, this work has resulted in our enjoying a more stable financial basis for the future. At the end of the year, we also signed a major three-year agreement with one of the country’s biggest grocery trade suppliers where we will have total responsibility for long-distance, circuit and distribution traffic for virtually all of Norrbotten and Västerbotten.

Increased customer satisfaction

The structural transformation we have been working on for the past two years has led to a clearer organisation toward our customers. We have received a lot of positive feedback about this, as customers feel we have improved our delivery quality

and created good, clear structures. As part of the change process, we have also appointed account managers for our smaller customers to engage in close, direct dialogue with them. This approach has proved to be very successful and much appreciated. We do not currently conduct any major customer services, but we plan to begin doing so in 2024.

Reduced environmental impact

Sustainability issues are naturally important to us and we work with them on a daily basis based on local conditions here. Our second gas-powered vehicle will arrive in the near future as a result of our new, major assignment with the grocery trade, and we would prefer to drive more using fossil-free alternatives, but there is limited interest from customers. They are unwilling to accept the increased cost of using fossil-free fuels.

Nevertheless, we work proactively with our personnel and train them in e.g. economical driving, and we follow up on the impact of the training over time. We also constantly review our delivery plans to optimise them such that they increase efficiency and fill rates and reduce mileage, as distances not driven are always the most eco-friendly.

Safe work environment

In its present form, our organisation is still very young and we currently

focus sharply on creating the right conditions for moving from a project organisation to a line organisation. Being a young organisation also means we work a lot with basic values to create a good foundation for the future. We chart the training levels of all personnel to see how we can further develop and strengthen them in their work. We also work proactively to get as many people as possible to use the wellness allowance, and during the year we conducted an employee survey to establish a good basis for our ongoing development work.



Christofer Matsson CEO



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