

Sustainability Report 2022



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Introduction

Tempcon Group AB are specialists in temperature-controlled logistics. The Group comprises of various entrepreneurial companies who together provide added value to their customers through secure, climate-smart logistics solutions for a sustainable future.

Our brand is one of the most important strategic assets we have and is therefore entirely central to everything and everyone associated with us with the aim of nurturing and building our common brand. It is about living up to the expectations and associations that we want customers to have when they think of or interact with Tempcon. Short organisational decision paths, flexible solutions, a strong local presence and commitment to local development are fundamental for us if we are to succeed, where sustainability issues are an important part of our strategy.

Vision

Together for a sustainable future.

Mission

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

Position

Our goal position is to be the leading provider of refrigeration logistics in the Nordic region and thus become the natural first choice of logistics partner for producers, wholesalers, and the grocery trade. Our subsidiaries' good and long customer relationships form the basis for our journey of continuous development and growth. Our aim is to grow both organically and through strategic acquisitions that complement and develop the existing customer offering.



About the Group



The Tempcon Group was established in 2016 and by 2018 expansion plans were already underway. Today the Group comprises of 16 subsidiaries.

Tempcon and its subsidiaries offer services primarily in three areas: transport, warehousing and terminal operations and 3PL with operations throughout the entire value chain from producer to consumer. The Group has grown from SEK 600 M to present day SEK 3,000 M through the acquisition of strong established players in combination with organic growth. Tempcon is owned by the subsidiary founders, management and Accent Equity, which is the majority owner.

Market Position

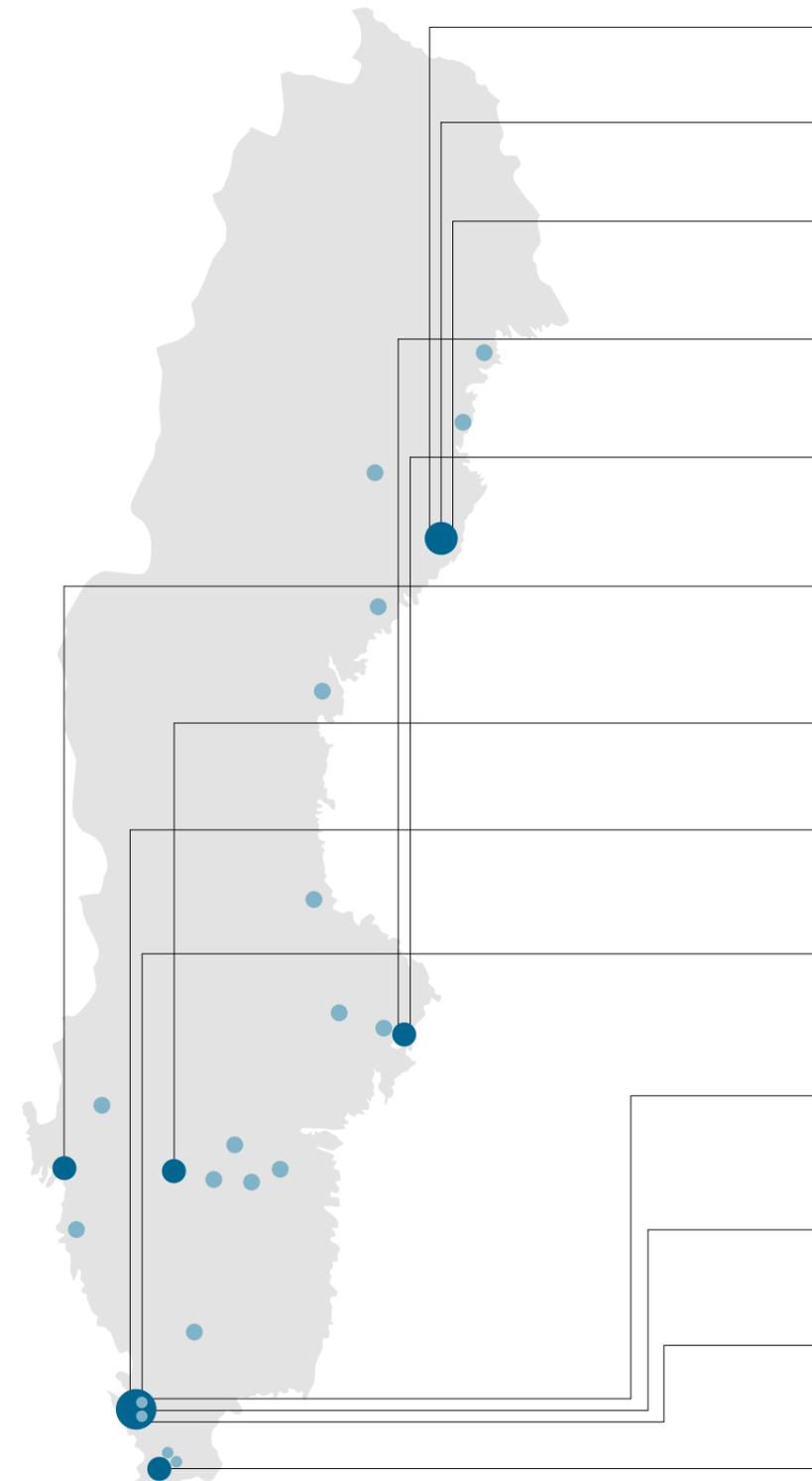
The Tempcon Group is the largest in Sweden operating in temperate transport. The Group is nationwide primarily through its own strong presence but also through strategic collaborations. In addition to a strong domestic position, the Group also operates in the BeNeLux countries. Main commodities are food, as well as transporting flowers, dry goods and medicines. The customers consist of a broad mix from the largest players in the grocery trade and food production to local entrepreneurs and industry in general.

The Groups Strategic Objective

The overall strategic objective of the Group is to become the leading partner in temperature-controlled logistics in the Nordic region. This will be achieved through generating added value for our customers using secure, sustainable and climate-efficient logistics solutions.

We achieve this by

- offering a resourceful partnership in temperature-controlled food logistics that exceeds customers' expectations of sustainable and value-generating logistics solutions.
- meeting the customers' total needs through providing the most complete range of services in temperature-controlled logistics with strategically located cold and freezer warehouses, terminals in combination with well-developed long distance traffic and distribution services.
- together with our customers, developing digitized services and incorporating new technological innovations.
- promoting a Group brand with a common sales organisation where the brand of the subsidiaries coexists with that of the Group.
- taking advantage of economies of scale and synergies through close collaborations between subsidiaries.
- continuing to grow profitably through organic growth as well as through acquisitions.
- building an organization and brand that stands for our values: Commitment, Credibility, Together.



Our Values

Commitment

We seek solutions and act according to sound values. In every situation that may arise, we must show our commitment and face the consequences of our shortcomings. We know that everything can be improved and developed further when we work together. Which is why we engage each other in decisions and do our utmost to find solutions that involve continuous improvement.

Credibility

We must maintain correct and professional behaviour in all situations, as well as employing good and reliable systems with efficient routines so that our customers can, at all times, rely on us to keep what we have promised. We must ensure that we have competent, well-trained and committed staff. This we achieve through providing continuous development opportunities as we are aware that our success depends on the diversity and competence of our knowledgeable employees.

Together

Our corporate culture shall be based on collaboration where we combine our respective companies and the diverse knowledge, experiences and roles of their employees to form a strong unit. We will always strive to collaborate internally as well as with our customers so that we can grow together and work for open and transparent mutual expectations.

Strong growth promotes good conditions for the future

The past year has been very eventful for Tempcon. In 2022, we, like many other companies, have been hit by severe increased costs that we were unable to influence. Everything that we need for our business, such as vehicles, fuel, tyres, spare parts and electricity have increased exponentially which in turn is reflected in the 10 percent or more inflation rate in Sweden. An additional cost-driving factor is the ever present shortage in drivers that has hit Sweden and Europe which in turn drives up staffing costs. In general, these are cost increases that we unfortunately must pass on if the industry on a whole is to survive. Despite all these challenges, we have succeeded to significantly improve our profitability during the year. There are several reasons for this. Firstly, we have become considerably more efficient in our core business and proficient at optimising the use of our resources in a far better way. On the one hand, we have consolidated some of

the Group as we have recognised that a number of businesses can be managed more efficiently and profitably by incorporating them into a larger context. An example of this is Ljungby, Gothenburg and Linköping which have all been merged with other larger companies. The results have been very positive, and not only have we saved in terms of costs by reducing staff and vehicles, but we have also managed to maintain a high service level to our customers. At the same time, during this process, several key people within the Group have stepped forward and taken greater responsibility for their own operations but also for others. The result is a much stronger Tempcon family. During the year we also acquired a smaller business with the aim of supplementing our organisation and services in Norrland through the incorporation of Food Cargo Nord at the beginning of the summer.



Working environment

A good work environment, regardless of whether you work as a driver, in a terminal or an office, it is essential flexible to face the future. Employees who feel safe and secure in their workplace do a good job. We have become better at cooperating between the companies, and good cooperation starts with a good relationship. Today, we have a strong team with talented employees who support the Group, the company and each other. It has been inspiring to witness this. However, this is not something that comes by itself, it takes time and needs to be actively encouraged. We can see how much we have improved and through our project Tempcon Together we have now a greater understanding of each other's situation and are better at cooperating. Tempcon Together is about developing the company culture and establishing common values throughout the Group. In parallel with this, how we work systematically with the work environment is something that we do every day, all year round, in all our units.

Sustainability

Ever since the start, Tempcon has worked actively to be at the forefront of sustainability issues, and as such view all legal requirements as the minimum level. We shall develop, provide and implement transport and other logistics services with the least possible environmental impact as far as is practical and financially justifiable. During the year, we continued to invest in gas fuelled vehicles and have purchased an additional 100 percent electric vehicle which is now in operation in Stockholm on a distribution loop that runs two shifts with very good results. We are also continuing to invest in solar panels, which can be seen in several of our terminals and warehouses and the energy that we do purchase is always renewable. This, in combination with other energy-saving measures such as motion-controlled lighting, actively adjusting temperatures in the refrigerators and freezers all in conjunction with a raised energy-saving awareness among our staff has meant considerable savings throughout the year. Experiences from the two fully electrified distribution vehicles at present in operation are very good and therefore we will continue to invest in more electric vehicles, this time turning our focus onto the heavy transport side. If these types of vehicles are to achieve their full potential, it will be necessary to plan infrastructure that includes charging stations along the major transport routes and in places associated with breaks, loading and unloading. To contribute to this development, we are participating in the E-charge project together with a number of suppliers, colleagues and the academy for a fossil-free future.

Growth

Although 2022 has been a turbulent year in many ways with major and rapid fluctuations in the market we have also had to cope with high volumes at the beginning of the year to then be replaced after the summer with dramatically reduced levels in some segments. We have managed all these issues through good planning, consolidation and saving which has resulted in a very favourable development. We have grown with our existing customers and gained new assignments during the year, and as a result achieved a total turnover of approximately 3 BSEK. This equates to a growth during the year of approximately 25 percent making us the largest in the Nordics for temperature-controlled logistics. We have made an impressive journey and are still only at the beginning. Our goal is of course to continue this journey together with new resources acquired during the year on the sales side.

Future

Predicting the future has probably never been more difficult as it is this year, mainly due to the high number of issues affecting the world around us which will impact on the coming year. High price levels will probably remain, and everything points to an impending recession with all what that means in terms of reduced purchasing power and more. However, people still need to put food on the table and even though we see no reason why interest in our services should decrease, we do foresee a shift to other products than those that have been most common in recent years. Our total offering to the market is one that few, if any, can match today and that position gives us opportunities for the future that we cultivate. We will continue to prioritize sustainability from a holistic perspective, whilst at the same time continue to build an even stronger Tempcon in the coming years. I am very proud and grateful for all the work done during 2022 and am convinced that efforts will not diminish in 2023 when we will continue Tempcon's journey with commitment and credibility together on this road of development!



Christian Hallberg
Group CEO

Work Environment and Safety

A safe and healthy work environment is one of the most important strategic issues for the Tempcon Group. The aim of the work we do in this area is concentrated on establishing a physically, psychologically, and socially sound workplace which develops over time for the benefit of the Group, its subsidiaries and all employees and where work related injuries and ill-health are prevented.

Incorporating changes and rationalising operations should never impact negatively on the work environment. Tempcon and those who are employed in the Group's subsidiaries shall together regularly evaluate how the Group is performing regarding the work environment with the aim of achieving steady and consistent progress in the daily work environment. We do this by constantly assessing and addressing risks that affect the Group and its subsidiaries, our employees, our work environment, and other stakeholders.

The necessities of the work must, as far as possible, be adapted to the human conditions in both physical and

mental terms. Activities that improve the work environment have a positive impact on both the individual and Tempcon.

The long terms goals to develop the work environment is to achieve a durable and efficient organisation which at the same time reinforces good physical and mental health. The aim is to provide a sense of well-being and job satisfaction for all employees which in turn will prevent accidents from occurring.

Throughout its operations, the Tempcon Group is strongly focused on road safety. We are committed to realising important road safety goals for the individual as well as for the company and society as a whole. The employees and subcontractors hired by us must behave in an exemplary manner in traffic, follow the laws and regulations relating to speed, driving and rest times, other traffic behaviour and the vehicle's safety status while, at the same time, have zero tolerance for alcohol and drug use.



Within the Tempcon Group Gender Equality means that:

- Tempcon must actively work for an even gender distribution throughout the Group.
- differences between women and men that can only be explained by gender must be remedied.
- differences based solely on ethnicity, religion or other beliefs, disabilities, transgender identity or expression, sexual orientation or age must be amended.
- working conditions, workplaces and the work organization must be structured so that it is suitable for all employees.
- both women and men must be able to combine work with parenthood.
- women and men must have equal pay for equal work.
- the views, experiences and skills of women and men shall be valued equally.
- everyone shall have the same opportunities for employment, education and promotion.
- all Group companies shall document all the measures they take against discrimination.
- each member company of the Group shall conduct an annual salary survey to determine, remedy and prevent unreasonable differences in salary and other terms of employment between women and men.
- no employee shall be subjected to sexual harassment or be harassed because a report of gender discrimination has been made.

Gender Equality Policy

The Tempcon Group will work actively with gender equality which will permeate the entire Group and must be seen as a natural part of the daily work. The work conducted within Tempcon means that women and men must have the same opportunities, rights and obligations. We shall strive for women and men to be treated equally and strive for an equal distribution of women and men at all departments, functions and levels. With this in mind we must also work for equal opportunities, rights and obligations regardless of ethnicity, religion or other beliefs, disability, transgender identity or expression, sexual orientation or age. Tempcon shall be seen as an inclusive role model as a workplace and business partner in all issues relating to gender equality.

It is the role and responsibility of management to ensure that the Group is working towards goal-oriented gender equality. Each manager is responsible for monitoring and ensuring that gender equality activities are ongoing in the daily work. Managers are also responsible for documenting which active measures are implemented whilst everyone in the Tempcon Group has a joint responsibility for establishing an equal workplace.

Gender equality should be included as a natural part of daily work.

Road Safety

Our transports must always be carried out in a traffic-safe and reliable manner, and it is our 100 percent goal to prevent accidents. We will work with proactive traffic safety training to cultivate credibility and understanding among employees, customers and the general public.

Guidelines

We will work with guidelines and routines that ensure traffic safety as well as improve, among other things, self-control for:

- Speed
- Alcohol and drugs
- Driving and rest times for drivers employed by the Group
- Use of safety belt
- Use of hands-free for phone calls

We shall also work with steady improvements through regular inspections and service of our vehicles and placing demands on traffic safety when acquiring new vehicles.

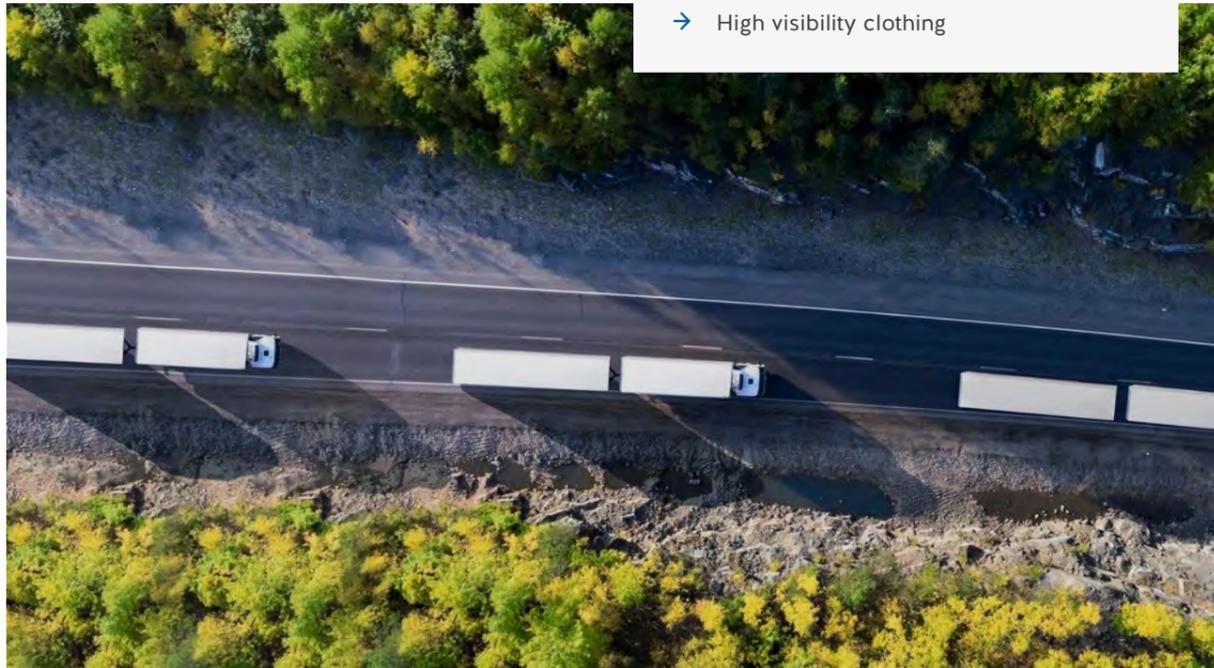
All employees must always take the greatest possible consideration of other road users, lead by example and adapt their speed to the prevailing traffic and road situation.

We will

- ensure that 100 % of all drivers use seat belts in all situations
- when procuring transport services, take into consideration to which extent the following safety equipment is installed in the haulier´s fleet.

The following equipment must be installed in as near to 100 % (at a minimum 90 %) of the haulier's fleet:

- Alcohol Interlock
- Seatbelt reminder
- Fire extinguisher
- Fire blanket
- First aid kit
- High visibility clothing



Code of conduct in brief

Together at the Tempcon Group we cultivate added value for the customer through secure, climate-smart logistics solutions for a sustainable future. To achieve this, it is important that we work actively with good business ethics based on a common set of values and a set of ethical rules. Tempcon places demands on both employees and business partners to comply with the company's policy, values and ethical rules.



- We abide by laws, rules and good practice.
- We do not accept any form of bribery, extortion or corruption.
- We behave correctly and professionally in all situations.
- We work for diversity and equal opportunities.
- We have zero tolerance for discrimination.
- We have a workplace characterized by respect and sensitivity.
- We work for a safe and healthy work environment.
- Our leaders and employees must lead by example.
- We will conduct operations so that negative environmental impact is limited as far as possible.
- We behave as good ambassadors for the Group.

Anti-corruption

The Tempcon Group has defined corruption as an abuse of trust, power or position for improper gain. Corruption includes taking and giving bribes.

Extent

Tempcon's policy on corruption covers all employees, including secondary, as well as consultants and all operations financed through Tempcon or the Group's subsidiaries.

All employees must be aware that Sweden has made commitments to counter corruption in accordance with international conventions, for example through the UN Convention against Corruption. Every manager is obliged to inform external partners, such as collaborators and consultants, about this policy.

Corruption opportunities must be highlighted at all levels within the Tempcon Group through risk analyses, as well as throughout all administration processes including recruitment, strategy, planning and follow-ups. The occurrence of corruption is usually detected when someone reacts to warning signs. These signals are often subtle and difficult to interpret, which is why it is important that they are investigated by more than one person.

Reporting

An employee that suspects corruption is obliged to report this to their immediate manager or to another manager whom the employee trusts. The person who receives the information must, in consultation with the CEO and other managers who have HR responsibility, decide what steps need to be taken.

Environmental policy

We shall develop, offer and conduct transports with the least possible impact on the environment. The company's operations will be carried out to ensure that negative environmental impact, as far as is practically and economically tenable, is limited and that from an overall perspective, maintain good resource management, including an eco-cycle view, in all operations.

We must achieve or exceed legal requirements and other demands that affect the business. We will actively work towards improving awareness of environmental issues among our employees and introduce a purchasing plan that will endeavour to minimise the environmental impact from vehicles, engines, fuel and chemicals.

We will seek collaboration in environmental issues with suppliers as well as with customers and highlight the importance of this issue in procurements. In addition, the company will establish an environmental management system that supports efficiency and continuous improvement from both an environmental as well as business economic perspective. All employees are encouraged to work so that the impact on the environment is minimised. Our driving itineraries must be designed to allow an environmentally friendly driving style. We must maintain a level of knowledge and behaviour in the field of environmental awareness so that the Tempcon Group can remain in the forefront of its industry.

Electric trucks investment in Stockholm in new collaboration with PostNord

The Tempcon Group's subsidiary Tommy Nordbergh Åkeri has in this past year continued with its investment in a fully electrified distribution truck, this time in Stockholm. As part of the Group, the company wants to add value for its customers with safe, sustainable and climate-efficient logistics solutions. At the same time, they are keen to be at the forefront when it comes to the use of new, innovative technology and new fuel alternatives. As part of its long-term work with sustainability, the company has once again invested in a heavy electric truck that will work in multiple shifts.

The Group prioritises on matters relating to sustainability and in addition to previous investments in heavy electric vehicles in Helsingborg by Tommy Nordbergh Åkeri, several of Tempcon's subsidiaries have also invested in solar panels on their properties, these include Klimat-Transport, PL Fraktservice and Widriksson. Several gas trucks are also in operation which are now complemented by a fully electrified distribution truck located in Stockholm. This is part of a pilot scheme aimed at devising good structures and functions for this type of electrified transport.

The truck will make deliveries to Apotek Hjärtat's stores located on a 167 kilometres loop. The CO₂ emissions along that loop will be reduced by 125 kg every day. Thus, this new transport solution will have a greatly reduced environmental impact and form an important step on the way towards fossil-free deliveries. The truck will initially be driven in two shifts with the aim of moving to three shifts later on.

- At Tommy Nordbergh Åkeri, we have always taken for granted that we will be in the forefront of adopting alternative fuels with the aim of reducing our environmental impact and incorporating climate-smart logistics solutions, says Jonas Råstedt, CEO at Tommy Nordbergh Åkeri. We are therefore, very pleased to be able to make an investment like this again in collaboration with PostNord TPL and their customer Apotek Hjärtat. We hope to be able to start more projects like this in the not too distant future.

- We have been using electric vehicles in our business for a long time, but until now it has been difficult to find good alternatives for heavier transport. The problem has been



associated with the lack of infrastructure necessary to charge these vehicles coupled with establishing new routines that work well in our business. By testing this type of vehicle together with our customers, we can learn many important lessons for more large-scale investments in the future, says Mathias Krümmel, CEO of PostNord Sweden.

- Sustainability is a guiding star in everything we do and one of the many goals we are working towards is helping Apotek Hjärtat to become completely fossil-free by 2030. We are therefore very happy that the collaboration with PostNord has now led to us being able to shift into a higher gear and show off our first electric truck. Previously our deliveries to all our pharmacies in Stockholm, Malmö and Gothenburg have been conducted completely fossil-free so this will be a good complement. We also see it

as an additional step towards more and more electric transports, which in turn run more quietly, thus making it possible to conduct deliveries at unsocial hours without disturbing inhabitants in densely built-up areas, says Louise Blumenthal, Head of Logistics Development at Apotek Hjärtat.

At Scania, the tone is also positive. - We look forward to supporting Tommy Nordbergh Åkeri and PostNord in the rollout of an electrified fleet and taking part in their and Apotek Hjärtat's experiences regarding this pilot. We welcome a close collaboration between the vehicle supplier, haulage company, transport buyer and charging operator to drive the development towards fossil-free transport. It's nice to see that both Tommy Nordbergh Åkeri, PostNord and Apotek Hjärtat

have the same drive as Scania to reduce emissions from the transport industry, says Jessica Björkquist, responsible for electrification at Scania Sweden.



Materiality Analysis and Risk Assessment

Everyone who can significantly affect or be affected by our operations, are Tempcon Group's stakeholders. We have conducted analyses from an economic, ecological and social perspective focusing on those we consider to be our most important stakeholders such as owners, customers, employees, suppliers, authorities and society at large.

The materiality analysis has been conducted to rank the sustainability aspects and identify those that are most important to us. In the materiality analysis, the stakeholders were combined with an assessment of how each aspect affects Tempcon's operations and society in general. The assessment was made using the management system's stakeholder requirements analysis as a basis. The result of the materiality analysis is presented in the diagram on the next page. The aspects that were identified as most important form the basis for focus areas in the work relating to sustainability.

Ability

Tempcon has a wonderful opportunity to work more with establishing the Groups business model and its extensive customer services based on the broad knowledge and competence that exists within the Group. The successful production coordination relating to traffic sectors and routes with the aim of optimising our operations whilst at the same time delivering credible services offering the best possible customer benefit based on priority areas for us and the customers will continue. To aid the subsidiaries in focusing on their core business, we must continue the work of establishing our joint support functions and the implementation of joint IT solutions that promote increased digitization of our business.

Environmental issues are, and have always been, a high priority both for us and for our customers, which is why we must maintain focus on sustainability in every decision we make. Through our commitment to these issues, we

shall concentrate on expanding the use of vehicles that impact less on the environment and introduce additional environmentally friendly refrigerants. We will also continue to develop our own fossil-free energy production while reducing energy consumption.

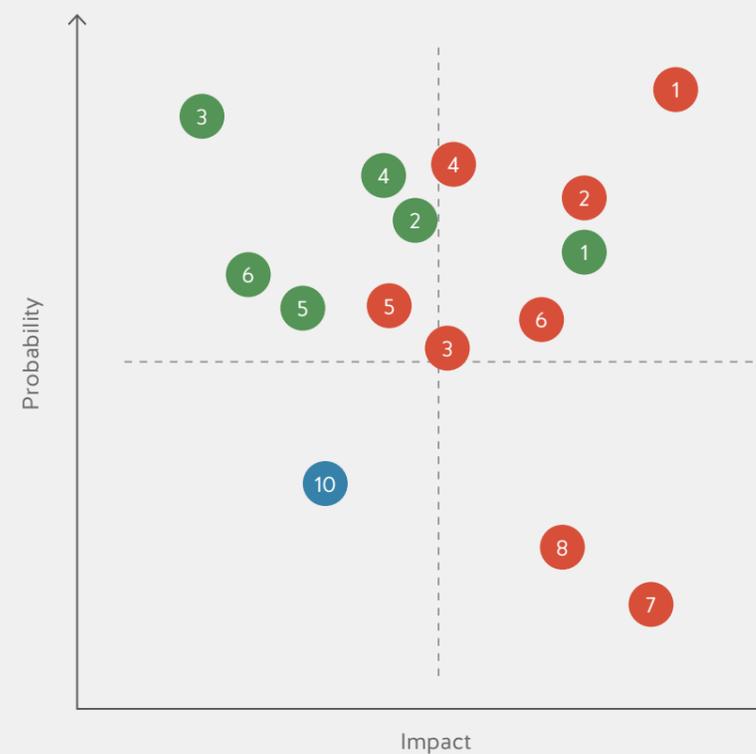
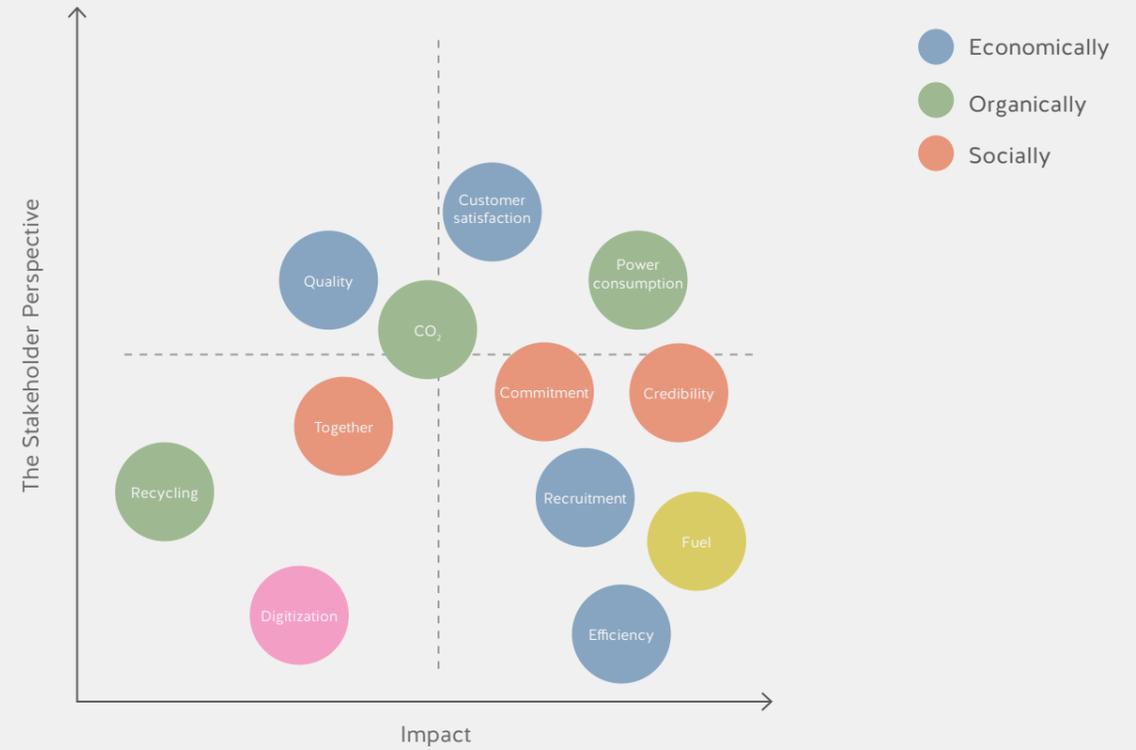
Risk

The sharp increase in fuel prices in recent years continues and naturally affecting our industry to a large extent. At the same time, other energy prices such as electricity have also accelerated, and all signs point to continuing price increases in the coming financial year. These factors coupled with an impending recession and the geopolitical unrest in our immediate vicinity, pose a combined risk to our business. In addition, dramatically increased raw material prices, which in the long run affect the prices of vehicles and spare parts, as well as growing unease surrounding our currency and the rise in interest rates are factors that must be considered as a high risk in the future.

A consequence of the war in Ukraine and the increased tension in the immediate area is that we now view cyber-attacks against businesses in Sweden in a totally new light. These are situations we must learn to detect, manage and counter at an early stage otherwise any attack will pose a very significant risk to our business.

Fluctuations in the flow of products that occurred during the pandemic have stabilized, but we see today, as a consequence of an imminent recession, a reduction in the flow of fresh produce and this is something that may affect us negatively if it continues.

Failure to handle empty pallets can have a substantial impact on the companies within the Group which can have major financial consequences. We manage our risks in the management system.



Risks

- 1 Pronounced increased energy prices
- 2 Recession
- 3 Reduced flow in fresh produce
- 4 Commodity prices
- 5 Empty pallet handling
- 6 Currency and interest rate concerns
- 7 Geopolitical unrest
- 8 Cyber attacks

Opportunities

- 1 Establish Tempcon's business model and total customer offering
- 2 Production coordination, traffic sectors and routes
- 3 Focus on sustainability in all decisions
- 4 Expanded fossil-free energy production
- 5 Implement common IT solutions
- 6 Establish common support functions
- 10 Increased digitization

Focus Areas

Quality

Increased customer satisfaction through relevant and target group-adapted communication combined with the best management system in the industry.

Our business shall provide a quality level that makes us the obvious choice when freight buyers look for transport carriers and logistics partners. This is achieved through committed, competent and well-trained staff in combination with a modern vehicle fleet.

Our handling of the customers' goods must be based on the instructions we receive as well as laws, rules and regulations that affect and govern our operations. Our goal is to provide and quality-assure service that exceeds customer expectations, and only by ensuring that at every instance we do our utmost, can we achieve this. If our goal is to be reached, we must always look to continually developing our customer services whilst guaranteeing as high a service level as possible.

We must work together with our customers and their requirements must guide our priorities, nevertheless it should be based on what is economically reasonable, safe, technically possible and with the

Within the group, corruption is zero and will continue to be so.

The work of maintaining a zero corruption level within the Group is supported by joint guidelines in the

A safe and healthy working environment is an important strategic issue for the entire Group.

We see every instance of work-related ill health, whether it is physical, psychological or socially related, as a failure. The goal of the work we do in the working environment field is to establish a healthy and developing workplace for all employees, where

least impact on the environment. It is the duty of every employee to work systematically to continuously improve our quality levels to ensure Tempcon's position as a leading business partner in temperature-controlled logistics. Both the Group and 15 of the 16 subsidiaries are certified in management systems for quality (ISO 9001), environment (ISO 14001), traffic 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).

In order to know what our customers want, we conduct regular customer satisfaction surveys throughout the year, which together with a close dialogue with the customers, form the basis for our continued development and ceaseless efforts to improve our organisation. We also promote good communication, internally as well as externally via websites in both Swedish and English, our social channels and through our internal communication system, Wker.

form of a Code of Conduct, operational policies and a personnel handbook that has been adopted throughout the Group and regularly updated.

the risks of occupational injuries and work-related ill health are prevented instead of managed.

During the year, our efforts relating to the work environment and to uphold the best interests of our employees has continued and based on a professional approach, we see the legislation as a minimum level for our work in these areas.

Environment

Reduced environmental impact through reduced CO₂ emissions and energy-efficient terminals.

Tempcon Group works to attain the 2030 climate goal, which states that greenhouse gas emissions from Sweden's domestic transports must be reduced by 70 percent between 2010 and 2030.

We have now used more than half of the time period specified to reduce emissions and the industry still has some way to go. We and our subsidiaries are therefore continuously working towards achieving a fossil-free vehicle fleet and streamlining transport flows as at the same time, we train our drivers in economical driving.

We must develop, offer and carry out transports with the least possible environmental impact. We must conduct the Group's and subsidiaries' operations in such a way that, as far as it is practically and economically justifiable, negative environmental impact is limited and that an overall good management of resources is observed in the operations. This also includes eco-cycle thinking.

Less environmentally impacting fuels such as LBG, LNG, HVO and RME are used to the greatest extent possible, while the proportion of gas-powered trucks within the Group is also increasing this year. We have two heavy electric trucks in operation and the experience from these guarantees that there will be more of

them in the future. We participate in the E-charge research project to develop the fully electrified long-distance transport of the future with associated charging infrastructure.

Tyres, corrugated cardboard, plastics and scrap metal are just some of the waste products we recycle today, but we are committed to our ambition of expanding into additional categories in the coming years.

Solar panel facilities at several of our terminals deliver beyond expectations and in Helsingborg the existing facility has been doubled during the year. At the same time, planning continues for additional facilities in the coming years. We also work actively to reduce our energy consumption.

We continue to adapt the refrigerants in our warehouses and terminals to reduce our energy consumption and environmental impact. We also review and replace our lighting with products with less energy consumption, install motion detectors for the lighting and optimize the use of our cooling units.

We continuously follow up and measure our emissions to know where we get the greatest effect in order to reduce our greenhouse gas emissions more quickly.

Business ethics

Sound and long-term financial improvement with the highest ethical, moral and legal requirements.

Co-workers

The Tempcon Group must be an attractive employer with competent and qualified staff which is achieved through good working conditions and unique solutions for our employees.

Global goals

We embrace the global goals towards a better world by 2030.



ABBEKÅS ÅKERI

Continued development stabilizes the business

The extensive work on developing the business and establishing clear structures that was begun in 2021 has continued during the year. Early this spring, Urban Andersson took over as CEO and a clearer focus on the core business was prioritized. Traffic structure has moved more towards maintaining the scheduled traffic that is in place to ensure good profitability. Many of the transports that do not fit into our core flow, which previously we covered ourselves, are now being carried out to a greater extent by subcontractors. This has meant that we have adapted staff and vehicles based on these new conditions with the aim of better meeting the needs we have today. We have also employed an Operations Manager whose role is to move the change process forward in order to release internal resources who can concentrate on working dynamically with sales.

Working environment

The systematic focus we have had on the work environment that was started last year has of course continued and is now a naturally integrated part of the daily work. To provide a better working environment for our staff, we have during the year freshened up our office environment, and continuously updated our fleet of vehicles to provide a better working environment for our drivers. In the beginning of the new year and together with a number of our sister companies, we will move into a new terminal in

Helsingborg. This will lead to smoother handling and a better working environment for all the staff. The new year will also involve the installation of new key cabinets equipped with alcohol locks which continues our work for safe and professional delivery services.

Sustainability

Continuous investment in new vehicles not only promotes a better working environment for our drivers, but also contributes to reducing our climate footprint as newer vehicles generally have, for instance, less emissions of harmful substances than older vehicles. This year, we have continued to motivate employees and raise everyone's level of awareness in order to increase commitment to sustainability issues. We have also become more active regarding the use of our terminal areas, such as lighting and also temperatures in the coolers, an area where we are much more active at optimizing temperature levels. As regards lighting, we have installed motion detectors in areas where there is little activity, turned off lights without affecting the work environment and turned off lights completely when there is no activity at all. All in all, these quite simple measures, have meant that we have reduced our energy needs by close to 1 million SEK on an annual basis. It is worth noting that during the year we have gained certification for Fair Transport which shows the market that we

carry out our work in a traffic-safe, climate-smart manner and with good conditions for our employees.

Growth

Regarding growth, the year can be divided into two very different parts. In the first half of the year, we had strong growth, but after the summer the volumes decreased sharply. We have also seen a much more dynamic market with rapid changes and uneven volumes that are at time very challenging. However, we are pleased to note that despite the situation we have retained our customers and are attracting new ones.

Future

Even though the country will be in a recession for some time to come, we are optimistic about the future. It will however, be extremely important that we adapt operations to meet the quantities of goods in flow and due to our new organisation we are well equipped to meet that situation. It also gives us the opportunity to carry out much more active sales work with customers than we have been able to do before. This means that we stand strong to face future challenges.



Urban Andersson, CEO



Challenging year brings record turnover

The operating year 2022 has been a very eventful year both for us at Klimat-Transport and for the rest of the world, with a stalled pandemic, war in Europe and rampant energy prices. The latter has meant that we have had to spend a lot of time conducting dialogues with our customers regarding, among other things, price levels. Acceptance by our customers of the current situation and that our hauliers must be compensated for cost increases beyond their control has been good. During the year, we have ensured cooperation with many of our customers and extended several agreements as well as taken over customers from our sister companies B Andersson & Co Åkeri in Gothenburg and Tempcon Ljungby. In relation with the latter, we now have responsibility for B Andersson's 1,800 sqm terminal. All of this has involved increased workload, many challenges and the questioning old truths, but today we are beginning to see the establishment of a stable business with great potential for the future.

Working environment

A major and exciting event that took place in the latter part of the year was when our sister company Berneco Transport joined us in our premises. This has allowed us to review our premises from the ground up and adapt them to the new situation. New, larger common areas and air-source heat pumps for a better indoor climate are just some of the changes

made. We have also continued to give our employees the option of hybrid work as we see it as an important factor in being an attractive employer. For us at Klimat-Transport, the working environment with the individual at the centre has always been a priority and will continue to be so now that there are more of us in the office.

Sustainability

We have a holistic view of sustainability where the various subtotals create the whole. A good working environment and a good and stable economy are often the basis for being able to develop environmental issues. We already have one of the area's largest solar panel facilities, and during the year we have doubled it both in terms of surface area and production. We are very pleased with this development especially in light of present-day energy prices. During the year, we have also signed the Helsingborg Declaration, where together with a variety of other organisations from widely different sectors, will work to ensure that the region is climate neutral by 2030. As part of this and together with Öresundskraft and our property owner, we are looking at installing four charging posts for trucks at our terminal.

Growth

With our sister company's customers and a stable development, we expect this year to be one of our best years ever in terms of turnover. Increase in

volumes has been strong up to and including September which followed on from an unbelievably good summer. However, we now see that volumes are decreasing, which is also a trend for the entire industry. As we handle mostly fruit and vegetables, we have witnessed early indications that people are now prioritizing other products when they go shopping, which must be seen as a sign of a more restrained lifestyle.

Future

With a turbulent environment and rising inflation, the near future will be tough for many. However, things look good for us ahead of the first half of 2023. We have employed a senior salesperson who processes the market for us and our sister companies, which has already started to have an effect. The planned expansion of our premises will now be put on hold as present day construction prices mean that it is no longer financially feasible. However, we hope that during the year we will see a more stabilized market so that we can give the go ahead for the construction. Our objective however is clear and unchanged, we will continue to grow together with our existing customers as well as with new ones.



Mats Söderström, CEO



A volatile year with stable development

The 2022 berry year in Sweden was one of the best in nearly 30 years. This was especially so for lingonberries and blueberries and is clearly reflected in our business as berry handling has increased by as much as 60 percent compared to previous years. This, in combination with increased or stable volumes in most other segments, means that our fill rate during the year has been good. At the same time, the financial year has been characterized by a volatile market with rapid changes which has tested our fast thinking and flexible staff. The results from this year's customer survey confirmed that we are meeting our customers' needs and they have great confidence in our organisation, which is very pleasing. The year has also been positive for Mörarps Frystransporter with a continued stable development curve.

Working environment

The work environment is a constantly ongoing process where we work in a structured way to ensure quality, we simplify and find flexible solutions. We work purposefully to digitize the working environment effort as much as possible and the so-called HIA system that we introduced a year ago has given us clearer checks while also providing us with a flexible tool for deviation and incident reporting. During the year, we continued with our efforts to build teams and the results from this year's employee survey shows the number of employees who can recommend us as a

good place to work, was high. This is very gratifying and a sign that we are on the right track in these matters.

Sustainability

We have been working for a long time to reduce our energy consumption and thus also our costs. By being more energy efficient and with our dedicated staff optimizing the business, we have reduced electricity consumption compared to last year. At the same time, all the electricity we buy is renewable which is part of our contribution towards a circular and sustainable energy supply. We are now also certified according to FSSC22000 so that our customers will continue to feel secure in the knowledge that the handling of their food is conducted in a safe manner and that the services we offer continue to lead to high customer satisfaction. This certification also shows the market that we have a high degree of credibility in terms of knowledge, control and capacity for our commitments. During the year, we also expanded the fleet with additional gas vehicles, and these now make up nearly 40 percent of the total. At the beginning of the year, Mörarps Frystransporter became Fair Transport certified to show that it carries out its work in a traffic-safe, climate-smart manner and with good conditions for the employees.

Growth

Our work with customer-optimized ancillary services such as picking, order and customs handling, etc.

are still highly appreciated by our customers and remain an advantage in the dialogue with new, potential customers. Development during the year has been good, although it has also brought many challenges.

Future

The future looks bright for our business. The number of inquiries is steadily increasing, while we see a shift from animal to fruit, berries and vegetarian products. We will continue to develop together with our customers and quickly incorporate new ones. To meet future needs, we are also in dialogue with the property owner about expanding our warehouse space by approximately 5,000 m², and at the same time we are keen to take the next step in our sustainability journey by investing in solar panels for the future.



Fia Andersson, CEO



Focusing on the individual equals continued growth in turnover



The operating year 2022 has been one of the most turbulent since the company started on January 1, 1993. This is partly due to external factors such as the pandemic, war, rampant fuel prices, material shortages and an extreme scarceness in drivers on the continent coupled with a weak Krona, increased interest rates and the EU Mobility Package. But also internal factors such as the introduction of a new transport management system in the spring with all its accompanying teething problems. We also suffered from some long-term sick leave and the resignation of a key employee who chose to leave after a few months due to personal reasons. All in all, this meant that during the spring and summer we were not able to fully deliver the services that our customers are used to getting from us. However, we did feel secure in the knowledge that due to long relationships with many of our customers we were able to more than compensate during the autumn and winter for what we lost in the spring and summer. Despite a turbulent year, our year end result will be equally strong as the previous year - proof that we had a very good year based on the existing conditions.

Working environment

The biggest event of the year, in terms of the work environment, was the move from our old premises located just outside Ängelholm where we had been for many years, to our sister company Klimat-Transport at

Långeberga in Helsingborg. This move paves the way for a dynamics between the two companies that will promote our development and benefit our customers. It will also bring us closer to our business as much of our traffic passes through the area. The relocation has been received very well by our employees who are happy with their work environment and want to stay with us which in turn leads to better profitability.

Sustainability

During the year we invested in twelve new trailers to ensure good quality in our deliveries and also to reduce our environmental impact. However, we know that sustainability is so much more than just the environment. We at Berneco want to work with a sustainable staff policy that sees people as individuals and not just as a resource. We are totally convinced that if we as an employer give employees responsibility, security, support and clear goals, we will receive commitment both to us and to our customers. This in turn conveys credibility when we focus together on solving the challenges we and our customers face. Part of this has been the establishment of a new office located in premises that are significantly more sustainable than our previous offices.

Growth

The year began with extremely large volumes but a lack of haulage companies and drivers. July brought with it a slump which recovered

somewhat during the autumn but figures remain at a lower level compared with previous years. Despite this, we have remained within budget and once again report turnover records in terms of the financial factors. At the same time, we note that we did not achieve the same growth on the volume side, this is especially apparent in regard to imports.

Future

Berneco Transport has great potential as it continues to grow even during the coming years. Despite falling volumes, a weak Krona exchange rate means we can offer a significantly more attractive price to our customers than our international competitors. In addition, we can now further strengthen our export sector in the coming year through a successful procurement bid, where we will now be the sole service provider to one of our most loyal customers. We will be focusing heavily on ensuring availability of hauliers and drivers and stimulating our import sector with the aim of increasing volumes. We will also continue to develop our business together with our customers and maintain our focus on the individual.



Jesper Rosén, CEO



PCON GROUP



A strong year of recovery in a turbulent environment



When we now try to sum up operations for 2022, we see a year of high intensity based on robust growth following a return to normal after the pandemic. In particular, the HORECA segment has meant large volumes, not least during the period April to September due to high visitor numbers in the area. To maintain the high quality levels expected from our customers, and which we have successfully provided, some of our margin levels have been significantly reduced. By utilising our vehicle fleet to the maximum and through the dedication and hard work of our staff we have delivered as promised. Therefore, I would like to take this opportunity to extend a special thank you to the staff who have worked to the best of their ability in a wonderful and much appreciated way.

Working environment

Staff are the most important resource we have and by the interest, flexibility and support they have shown, we are naturally keen to give something back. We invest much time and commitment in ensuring that they have a good working environment, where they are happy at their workplace and wish to stay. It is also important that we have a close dialogue with all employees, and it is not by chance that the coffee machine is in the office and not hidden away in a driver's room in the terminal. Had we not had a good working environment, it is unlikely we would have experienced the commitment from

the staff this year that was needed to meet our challenges. We also continue to ensure that they have a good foundation to stand on with regular training courses and personnel dialogues.

Sustainability

Our solar panel system has been in operation for quite some time and delivers beyond expectations. This year the panels have produced approximately 125,000 kWh of energy. And one bonus is that our energy return is the greatest when we most need it, during the six months of summer when the cooling and freezing facilities work at peak levels. We have also noted this year that our ISO certifications four standards (9001, 14001, 22000 and 39001) have been well received as has our Fair Transport certificate. We continue to work with modernizing our vehicle fleet with the aim of reducing our climate footprint, and at the same time arrange for training for our staff to manage these vehicles in a way that uses as little energy as possible.

Growth

After a cautious period during the pandemic, we can now look back on a year where we increased turnover by around 25 percent. This was achieved by focusing on our existing customers and continuing to develop together with them, and at the same time work to build the best possible logistics solutions for both them and us.

This, in combination with a decisive sales approach aimed at new customers, has resulted in this year's positive turnover.

Future

Our aim for 2023 will be to maintain the successful organisation that we have today, develop it by acquiring new customers and expanding the workforce with the right people who fit into our group and who have the same high quality as our present day staff. We have initiated a collaboration involving adult educational organisations, upper secondary schools and the municipality with the aim of establishing our own academy for continued growth. We also hope for a more stable market where the war in Ukraine ends and the price levels for fuel and energy stabilize. 2023 will herald a generational change as the CEO position will be assumed by Peter Friberg, who has been active within the company for almost 25 years and most recently in the role of Chief Operating Officer. I view this very positively and I am convinced that PL Fraktservice will continue with its exciting and developing journey.



Peter Lengrell, CEO

Electrification important for the transition

The transport sector generates around a third of the total greenhouse gas emissions, with road transport accounting for more than 90 percent of the emissions. This figure must be reduced to zero no later than 2045. Renewable fuels, such as biodiesel and biogas, have so far been the only fossil-free alternatives for heavier truck transports for long distances, but in the effort to transition towards a fossil-free transport sector, electrification of road transport will be an important part going forward. Tempcon and its subsidiaries participate in various research projects which is in line with our early adoption of electrified vehicles in daily operation. However, we are acutely aware that much needs to be done in several areas if we are to reach our goals. According to a study by the global consulting firm Boston Consulting Group, to achieve a good transition as many as 3 million charging points and 600 hydrogen gas stations will be needed by 2050. This compares with today's 14 000 charging points.

One of the projects we are involved with through Tommy Nordbergh Åkeri is called E-charge. The purpose of this project is to gain knowledge and competencies that enable the sector to take the next important step in transitioning towards a fully electrified transport sector, which in turn is part of a sustainable, electrified society. The project is looking to develop battery-electric trucks which can cope with very long transports in excess of 500 kilometres.

- A few years ago, we discussed how electrification would be suitable for light distribution traffic, but today we are looking at the heavy transports which cover long distances, says Claes Ekström, Vehicle Manager at Tempcon Group. It shows how fast we are developing new solutions for sustainable transport.

In the project, Tommy Nordbergh Åkeri will test vehicles for heavy transports between the Skåne region in the south of Sweden and Stockholm. Much time has initially been spent on planning and discussions concerning charging infrastructure, limitations and flow optimisation. According to the project plan, transports should be up and running by 2025 at the latest.

- If we are to achieve the goal of reducing our carbon dioxide emissions, the electrification of the vehicle fleet in Sweden is an important step, says Claes Ekström. In the short term, electrification will be decisive in whether we succeed in transitioning to fossil-free transportation allowing for completely emission-free transports.

In addition to Tommy Nordbergh Åkeri, the following also participate in the project: Chalmers University of Technology, Linköping University, Lund University, Uppsala University, Circle K, OKQ8, Vattenfall, ICA Gruppen, Scania Group, Volvo Group and DB Schenker. Financing for this project is through Vinnova and FFI - Strategic Vehicle Research and Innovation.



External influences create a shaky market

The past year has been unlike anything else in recent memory. Pandemic, war, recession, continued rampant energy prices, driver shortages, rising interest rates, severe inflation and material shortages. Added to this a market that has been extremely volatile where we have had to adapt quickly to completely new conditions compared to previous years. When summing up the year, we can say that we have managed to cope quickly and efficiently with the dramatically varying volumes with energy and attentiveness adapting to the rapid changes that have taken place. This would have been impossible without the team we have, where all employees contribute to successful deliveries regardless of the circumstances. Something of which I am very proud. This is also reflected in the reviews submitted by our customers, where we are known for quality and service.

Working environment

An important part in how we work systematically with the work environment is that it is viewed as an integral part of the daily work. This is clearly visible in how well the staff work and the fantastic commitment they have which allows us to deliver year after year. Now that we are leaving this tough year behind us, I can clearly see that we have become an even more close-knit group where the team has become stronger. If we are to maintain this feeling and continue to develop our business, we must, in the coming year, open up for more training opportunities.

Sustainability

Tommy Nordbergh Åkeri has always been at the forefront in offering our customers transport using alternative, less environmentally impacting fuels. And naturally we intend to continue with this but have unfortunately noticed some of our customers deviate from environmental priorities when costs increase. This is unfortunate, but our business needs a good financial result so covering our costs is important. Much time has therefore been devoted to showing our customers the price adjustments we have been forced to make are not a price increase but an adjustment to obtain cost coverage. We were also early in introducing weekly adjustments to the fuel surcharge to better follow price trends. Had we not been so active we would have had a much more worrying situation today. The work on the E-charge project continues and we are excited to find out what will happen in 2023. We have also introduced another distribution vehicle that is 100 percent electric and experiences based on this vehicle and from the vehicle we have had in operation in Helsingborg for the last two years, we are very positive. Based on this we intend to invest in additional electric vehicles in the coming years, this time focusing on the heavy transport sector. We are also pleased to note that almost 20 percent of our present day fleet consists of gas-powered vehicles.

Growth

Last year we exceeded 1 BSEK in turnover and that figure was already passed back in October of this year. Of course, part of the turnover in-

crease is driven by increased fuel costs, but we also see that we have stable growth in terms of volume, even though it has been a shaky year. We have a strong focus on delivering to our existing customers in order to maintain the good collaborations we enjoy today. Much energy and resources have therefore been put into providing the services they expect and the extra we want to give to encourage their continued loyalty.

Future

Although we live in turbulent times, we look positively to the future and will deal with the challenges as they arise. As the majority of our transports involve food in some form, we feel safe in the knowledge that even if times get tougher, people must eat. However, we are already seeing changed purchasing habits that are reflected in what we transport. One area is the reduced demand for fruit and vegetables, while basic goods, own brand goods as well as sugar and flour are increasing. Therefore, it is essential that we keep our ears to the ground and are able to adapt quickly to the prevailing winds as we know from experience, what applies today may not work at all tomorrow. In the coming year, we will of course also continue to deliver a high level of service to our existing customers and quickly and efficiently take care of the new ones who wish to become part of our community.



Jonas Råstedt, CEO



New businesses double turnover

Towards the end of 2021 the company was given the responsibility to amalgamate what was Tempcon Linköping and later during the spring of 2022 also assuming responsibility for the traffic from the company B Andersson & Co Åkeri i Göteborg. Much energy in 2022 was devoted to combining all three organisations. We faced many challenges throughout the year which involved making a significant number of changes to services and structures in both the two business that were incorporated as well as doing likewise to our own and then introduce new structures with the right resources. During the spring, EA was awarded an ISO certification in line with our sister companies. Otherwise, the organisation has mostly concentrated on working day to day with customers, transports and new businesses on a market which has been extremely turbulent in terms of flow and volume. We have also started with the transport of pharmaceuticals, which is a new niche for us.

Working environment

Focus in 2022 has been on the psychosocial work environment, as so often becomes the norm, we only talk about the physical work environment when discussing these issues. Protective barriers, tipping protection on trucks and safety shoes are easier to handle. Our vision regarding accidents is zero, that there should be none, this stands firm and we work actively with it throughout safety rounds and by maintaining a close collaboration with our safety representatives. It is also important that

we incorporate the organisations in Linköping and Gothenburg into our methodical work with the working environment. Together with the Transport Workers' Union, we have conducted a workplace survey where we looked at factors such as stress and how the individual experiences their work situation. We will follow this up in the spring in order to present an action plan. Our internal organisation is now more clearly defined with the aim of establishing confidence in who has responsibility for specific roles.

Sustainability

With the sharp increase in the number of assignments and vehicles as a result of the takeover we have spent much time adapting the vehicle fleet to the correct level and that we choose the right vehicle to suit the assignment. As part of our cyclical thinking, we devote a lot of time and resources to maintaining our vehicles and an important part of this is our own workshop in Skara. By taking care of our fleet, we also keep our level of investments to a minimum. We have clear fuel consumption targets and will work hard to reduce our deviations in the coming years. All of these activities are aimed at increasing quality level for our customers whilst reducing costs. We have also noticed during the year that several customers are no longer willing to pay extra for transports that use HVO. This is an unfortunate development which we assume is rooted in the tough global situation with rising interest rates and high inflation.

Growth

When we became a part of the Tempcon Group, our turnover was 239 MSEK, today we are well on our way to breaking through the 400 MSEK barrier. Of course, part of this can be attributed to the takeover of operations in Linköping and Gothenburg, but we have also seen a strong growth in the traffic that previously originated from Skara. This comes from increased volumes with existing customers coupled with a growth in new assignments.

Future

Even though we are experiencing a recession, we also see a bright future. We continue to grow both together with existing customers as well as with new ones and we start the new year with strong interest in our services. Cooperation within Tempcon only gets better and better, which ensures that we find synergies between the sister companies both faster and easier, to the benefit of us all. We very much hope that the coming year will bring us further opportunities for longer vehicle combinations, above all with our traffic to Norrland. We will continue our journey of digitization involving better follow-ups, faster service to our customers and an easier everyday life for our employees.



Stefan Ohlmander, CEO



A tough year brings a new structure

We began the financial year with two companies, LinCargo and Logex. Not many months into the year LinCargo changed its name to Tempcon Norrland to mark a new start in the business and be clearer towards the market. During the summer, Food Cargo Nord was acquired as part of operations in the north of the country. The year we are leaving behind has been filled with challenges and a lot of hard work. Through streamlining, price adjustments and clearer goals, where Tempcon Norrland will operate as a freight forwarder with Logex and Food Cargo Nord being hauliers for Tempcon Norrland, we are now seeing a clearer structure in the operations and have gained a stable economic foundation. Much has happened during the year, including the establishment of a joint business office in Umeå, the recruitment of a Production Manager whose initial role has been transferring customer agreements from Logex to Tempcon Norrland and survived one of the toughest summers ever in terms of production.

Working environment

As part of the restructuring process, we hope it will lead to a good working situation for all involved. Having said that, the year brought with it changes to the work situation which for some has not posed any problems whilst for others has been tough. We are constantly working to establish support functions, systems and structures that will focus more on function and less on individuals. This should

in turn mean we have a solid business in the future.

Sustainability

Sustainability is of course important to us, but we have the reality that we have. With distribution loops in excess of 400 kilometres, we face challenges in terms of fuel consumption, load optimisation, filling levels etc. The work conducted in previous years concerning these issues continues and at the same time we have begun to look at some new projects in collaboration with a number of our customers. However, we are aware that in some instances we are a little ahead of our customers, for example, their willingness to pay for more sustainable transport is not as interesting for them as for us to supply it.

Growth

Due to some of the major changes that we introduced during the year, it has not always been possible to maintain the quality of our deliveries, but thankfully the majority of our customers remain and will continue to collaborate with us in the future. We have at the same time also signed a number of new agreements during the year. Much time and work has also been devoted to adjusting our prices and working actively with our fuel surcharge to follow market fluctuations. We will also introduce a variable compensation system for our carriers instead of the fixed method we use today. This we hope will also better follow the variations that affect our business.

Future

Much of what we transport is locally produced and is delivered to petrol stations, small shops and shopping centres. Traditionally these are products that people have been willing to pay a little extra for but what happens now that we are facing a recession? If we are to maintain the service levels we have today, we would need to continue our present loops but risk less goods on the flatbed. We prefer to view the future positively as our organisation incorporates a new price strategy, adapts to further efficiencies in terms of premises and resources, adopts better tools for conducting follow-ups and begins to focus strongly on outside sales.



Christofer Matsson, CEO



Focus on sales for future growth

If we thought the business year 2021 was messy, it was nothing compared to the year we have now left behind. Large changes in volumes whilst at the same time experiencing lost volumes have meant that we have had to prioritize our resources on a daily basis. At the same time, we have seen an increase in certain customer segments that offset the total. However, with the end of the pandemic we were once more able to visit our customers, where, throughout the year, we focused heavily amongst other things on securing the quality and increasing volumes in those assignments we had. We have also had tremendous support and benefit from the sales resource available at Group level which has enabled us to establish new contacts for growing our business.

Working environment

High on the Tempcon Stockholm agenda is the continuing work we put into the working environment. If the staff are not happy, we will

not achieve the results we want, nor would we get the commitment we see from our employees. The systematic approach to maintaining a good work environment is an important part in establishing a climate where the employees are happy, are not injured and will remain working with us. During the year, we have spent a lot of time on these issues through a close dialogue with our own safety representative. We are also planning to activate some of the training activities that had to be cancelled during the pandemic so that we are even better equipped for the future.

Sustainability

We continue to work with looking over our resources so that we can optimise them in our traffic flow. We are also working long-term to rejuvenate our vehicle fleet to achieve a better environmental classification and lower fuel consumption. An overhaul of our terminal has also started in terms of lighting where we want to reduce our energy consumption.

Growth

Last year the market stood still, but it has now started to move again, and this is clearly noticeable not least through the increased number of requests that come in. It is also easier to attract new customers and we are growing within certain customer segments. There is also an acceptance by many customers that the price levels are a little higher today compared to before. An acceptance that was not obvious but has required a lot of work.

Future

After a couple of tough years with the pandemic coupled with factors in the world around us that we cannot influence but which affect us, we nevertheless look positively to the future. Our goal is to continue growing with customers who give us stability in the business. We will continue to process the market and ensure quality for our existing customers and work for increased volumes.



Cherie Svensson, CEO



Solar panels for reduced climate impact

Tempcon is aware of the importance to work on a daily basis to reduce our environmental footprint. As part of this we have invested in the installation of solar panels at our terminals and warehouses. Investment in these facilities as well as introducing alternative fuels and participating in various research projects are important in the work that we do to achieve a more sustainable transport industry and where we today need to look for solutions for the future.

One of this year's new solar panel facilities can be found at PL Fraktservice's terminal in Uddevalla. Energy consumption at the terminal's cooling and freezing facilities increases during the summer months when the outdoor temperature rises. This coincides well with the facility's production capacity, which is at its highest during the corresponding period. It is estimated that the facility will deliver 120,000 kWh per year, which covers a large part of the terminal's needs. At the same time, it is possible to double the facility's surface area, thus increasing the production capacity in the future.

One of the companies that has already doubled their energy production capacity during the year is Klimat-Transport in Helsingborg. In the past, it has had one of the largest solar panel facilities in the area, and with the expansion, it has now consolidated that position. After completion, this facility will comprise of more than 1,200 panels covering an area of approximately 2,500 square meters. These panels will deliver in excess of 452 MWh per year, which corresponds to the annual consumption of more than a hundred normal-sized single family homes connected to district heating. Klimat-Transport in Helsingborg has long worked actively to reduce its climate impact. The result of this work can be seen at their terminal at Långeberga as in the autumn of 2020 the facility became one of the first in Sweden to become CO₂-positive in scope 1 and 2. Following on from this success the company was then able to offer its customers CO₂-neutral transport solutions. There has been considerable interest in these.



Social sustainability from a diversity perspective

In recent years, sustainability has become more holistic compared to earlier, when it was almost exclusively associated with environmental issues. Today, economic sustainability, social sustainability and of course also sustainability linked to the environment are discussed. For us at Tempcon, all these aspects are of utmost importance, which we also highlight here in our sustainability report. Widriksson Logistik in Stockholm, specialists in last mile transport, delved into questions of social sustainability during the year by inviting lecturers from RFSL to raise the level of competence in the area.

One of the issues the company works with is diversity, which includes gender, sexual orientation and gender-crossing identity or expression. The purpose of the lecture was to learn more about LGBTQI issues, to improve the interaction between colleagues and others, to gain a better understanding and to get specific tips and tools to be able to work with the issue.

- One of the things we take with us from the lecture is how important it is to feel safe in the social interaction at work and to avoid hiding important parts of one's life, says Christel Grip, Sustainability and Communications Manager at Widriksson Logistik. The point of openness is not to expose but to avoid concealing, whilst at the same time not make openness the norm and "force" others to come out.



Klimat-Transport part of the Helsingborg Declaration

At Klimat-Transport, work relating to sustainability has always been a priority and the journey to where the company is today began many years ago. In addition to having a CO₂-positive terminal, Klimat-Transport can now also offer customers a variety of services including CO₂-neutral transports. The company has also chosen to sign the Helsingborg Declaration, which is an initiative from the municipality of Helsingborg which brings together academia, businesses and the civil society, in an effort to raise motivations with the aim of achieving climate neutrality as early as 2030. This initiative also has a further clear goal of establishing Europe's most efficient and sustainable logistics hub.

The Helsingborg Declaration highlights five main areas with a strong emphasis on modifying various areas of the logistics chain. These are: fossil-free energy; smart, aggregated and efficient logistics; technology and infrastructure; packaging logistics as well as circularity, reuse and recycling. The five modifying areas in the Helsingborg Declaration have been chosen aimed at focusing on areas of the climate transition that are close to operations and possible to influence. This does not mean that other areas within sustainability are unimportant. On the contrary, there are several aspects of sustainability that are comprehensive and permeate all areas of change. Examples of such are: financial sustainability and business acumen; social sustainability and purchasing and customer behaviour.





Faster flow structures resulted in a new organization

The year began with a pandemic that still held the world in its grip but fortunately diminished by the spring. However, we then moved into outside world events that have impacted heavily on us all in the form of war, runaway energy prices and increased interest rates. Even though we, who mainly operate in the last mile transport sector, do not have fuel as our biggest expenditure item, have been affected and forced into introducing and regulating a fuel surcharge together with our customers. The year has also brought with it an increase in flow fluctuations which seem to be more prevalent. This in turn places higher demands on our business with the result that in the autumn we restructured the organization to cope with making faster decisions closer to production. This was followed up with extensive training activities to clarify responsibilities and authority in the new organization. During the year, our digital business area moved forward and, among other things, drew up its own business plan involving a clear roadmap for the future. This business area has great potential as many of the flows in the industry are today still analogue.

Working environment

We see all issues relating to the work environment as part of our sustainability activities at Widriksson Logistik. As we have such a large

number of deliveries during each day it is essential that our structures and working methods are clear, and this has only been improved upon since the introduction of our new organization. This reorganization has also made it possible to introduce regular pulse measurements via a link on a mobile phone where it is possible to assess an individual's well-being, satisfaction, workload and more. Conducting this measurement once a year is, we feel, too infrequent as these parameters change quickly over time. This allows us to be more adaptable and receptive in developing our organization. Although the availability of drivers for our type of business has improved a little in the Greater Stockholm area, we would prefer if drivers sought us out as a potential and attractive employer, just as we want those who work with us today remain in our employment. An additional factor in how we work systematically with the work environment is to have good and flexible tools for, for instance, incident reporting. This instrument is now available to us through the use of our group-wide internal communication solution Wker. Confirmation that we are on the right track in terms of how we deal with the work environment is apparent when we have been audited by our customers and issues relating to the work environment are of paramount importance in the audit.

Sustainability

Over the years, Widriksson has invested heavily in moving to fossil-free deliveries and we are seen by many as being innovative in this field. This is a commitment, and we will not slow our pace in achieving our goal of having a climate-positive distribution by 2030. As part of this objective, during the past year we prepared for the installation of fast chargers that provide 150 kW for electric vehicles. In addition to the 12 ordinary chargers that we have today, this installation allows for a faster conversion to electric vehicles in combination with the planned doubling of standard chargers intended in 2023. During 2022, we have invested in a number of new electric vehicles and the demand from our customers for these is great. However, we have a challenge in that the start-up process for a new customer is two to three months, while the delivery time for a new vehicle is over 12 months. This can be challenging and will affect how we will work going forward when the lead times in different parts of the processes vary so greatly.

Growth

After a couple of years of very strong growth, 2022 brought us back to more normal levels. To promote future growth, it is imperative that we work long-term with business and customer relationships that



extend beyond the contract period and are based on the work we do with sustainability. During our cooperation with a customer, we seek to grow our relationship and the business with the intention of refining our services.

Future

Our intention is to position ourselves as a sustainable and innovative logistics partner in metropolitan areas. This will be achieved by continuing to be at the forefront of our efforts with sustainability and by concept-

ualizing our way of scaling up in collaboration with our sister companies within the Group. We will expand our geographic spread to the north of the Stockholm area up to and including Uppsala and, within a period of five years, will be operational in a further five to six cities in addition to the Stockholm area and Gothenburg where we are at present. We will continue to grow together with our customers and when we establish ourselves in new geographical areas our customers will also find it easy to develop their

businesses. In addition, through early dialogue with customers, we will establish opportunities for flexible, adapted and tailored logistics solutions for the future. The development of our digital systems will also be of great benefit to our customers.



Foed Meliane, CEO

Widriksson invests in a unique city truck

Widriksson Logistik continues to develop its range of vehicles to meet demand and deliver the high level of service their customers are used to. Therefore, in 2022, a completely new liftable distribution truck from Mercedes-Benz was brought into operation. The unique design provides for a better working environment and improved traffic safety, as well as being equipped with extra-large windows, cameras and radar systems.

The new vehicle is a Mercedes-Benz Econic with a retractable roof on the cabin. This cab is low entry which makes it easier to get in and out, it is also easy to exit the vehicle on the right side thanks to the door, which is reminiscent of those on buses. The large windows make it easier to see other road users and making eye contact as the driver sits at the same low height as in a bus. The Econic is also equipped with several cameras and radar systems that monitor the parts that are difficult to see in the rear-view mirrors.

- We are working hard to develop and test new products with our sights set on flexible, efficient and sustainable logistics, says Johan Nyblom, former CEO of Widriksson Logistik. We have chosen the Econic as this vehicle is perfectly suited for city distribution and meets our high demands on being suitable for the working environment and traffic safety.



Mörarps Frystransporter joined Fair Transport

Mörarps Frystransporter, based in Hyllinge is a subsidiary of Tempcon and is now a member of Fair Transport. Christoffer Ekman, Transport Manager at Mörarps Frystransporter, says there are many advantages in joining Fair Transport as it is associated with quality and being a fair employer. This will not only strengthen the company brand, but it is also an important part of their endeavour to become the obvious choice for temperate transport in the geographical area where they operate. The company is keen to attract new employees and retain those who work there today.

The process leading to certification was very smooth, Ekman says, as many of the values specified were already in existence in the company thanks to the four ISO standards, 9001 (quality), 14001 (environment), 22000 (food safety) and 39001 (traffic safety) already held. Reactions so far to the certification have only been positive as it sends a clear signal to the market where the company's ambitions lie.

Fair Transport was founded by The Swedish Association of Road Transport Companies in 2012. At the launch a few years later, the Fair Transport certification supported the promotion and awareness of healthy transports provided by responsible haulage companies. These are companies that drive safely in traffic, are climate-smart and offer good working conditions. Over the years, Fair Transport has developed and in 2021 Fair Transport became a sustainability certification for road freight transports. A sustainability certification that enables carriers and transport buyers to collectively move towards achieving the high environmental and climate goals as well as healthy competition on equal terms and nearing Vision Zero for road safety. The certification is reviewed every year by an external third party to ensure high standards maintained.

Right speed saves the environment and much more

An important part of the work we do with environment and sustainability which is associated with our transports, and which is also a simple way that everyone can contribute to reducing emissions whilst encouraging a better working environment, is to drive at the right speed. Perhaps you always keep to the speed limits, but many of us may need to ease up on the accelerator in certain situations.

Here are five major reasons to ease on the accelerator:

1) It's good for the brand. On the whole, a strong brand is often decisive for good profitability. Trucks and company cars bearing the company's logo are a showcase where the company is exposed every minute in traffic. By behaving in an exemplary manner and keeping the right speed, you show your fellow road users that we are a serious operator following the rules and not risking the safety of our fellow road users.

2) It is good for the economy. A heavy truck driving 90 km/h instead of 80 km/h can use up to 0.4 l/10 km more, which impacts heavily on fuel costs: not least in today's climate with record high fuel prices. When you drive too fast, the wear and tear on the equipment such as tyres and brakes also increases which in turn leads to increased costs. There are those who claim that a higher speed saves time. And certainly, if you drive 90 instead of 80, you save eight minutes in one hundred kilometres, however, by saving time you increase costs, you may cause harm to yourself or others and have a heavier impact on the environment. Is it worth it?

3) It's good for the environment. As we all know, traffic on our roads account for a large proportion of the carbon dioxide emissions that affect our climate. An important factor in this is speed. An increase in speed from 80 to 90 km/h produces approximately ten kilograms additional carbon dioxide. Calculated on an annual basis this equates to several tens of tons of extra, unnecessary emissions that are produced. Reduced speed also results in less noise. If the average speed is reduced by 5 km/h noise levels drop by 20 percent.

4) It is good for road safety. If the average road speed increases by 10 km/h, the number of people killed goes up by 50 percent. The correct speed also reduces the braking distance, which in turn saves lives. If you drive at 50 km/h you need about 35 metres to come to a full stop, if you drive at 60 km/h, you have only slowed down to 40 km/h after 35 metres. Although speed in itself does not always have to be the triggering factor for an accident to occur, it always affects the course of the accident and its consequences.

5) It is good for the working environment. The faster you drive, the higher stress level you will experience. And working long hours under stress is seen as a work environment problem. Figures show that approximately one in four reported occupational accidents occurred in traffic. Traffic accidents are both a road safety problem and a work environment problem; with a lower speed, the risk of accidents with serious consequences is reduced.



Syd Frys certified according to FSSC 22000

During 2022 Tempcon's subsidiary Syd Frys has worked with and is pleased to be awarded the FSSC 22000 certified (Food Safety System Certification 22000). This standard is approved by the Global Food Safety Initiative (GFSI) and accepted by all major food retailers in Europe. Being certified according to FSSC 22000 means that Syd Frys' customers can continue to feel confident that their food is handled in a safe manner and the services they offer will continue to give high customer satisfaction. This standard also confirms to the market that Syd Frys' services have a high level of credibility in terms of knowledge, control and capacity for its commitments.

During the journey to achieving certification, Syd Frys has worked to ensure the efficiency of the business, that tools and methods for verification and validation of the various parts of the workflows are available and the company will continue toward improving and developing the organisation. The work with the certification has been extensive and the employees have been heavily committed in all aspects of this. This certification affects all parts of the organisation and all members of staff have been fully involved in the various phases. This inclusion has made it possible for all the varying aspects of the business to benefit from the employees' experiences and opinions.

Now that the certification is in place, the real work of continuing to develop the business begins.

A new audit is carried out every year, which ensures that Syd Frys continues to meet the requirements and that improvements are constantly being made. In addition, an extensive and more in-depth re-certification takes place every three years to maintain standards for the certificate.

Not only does the company hold the FSSC 22000 certification, Syd Frys is already KRAV-labelled and certified according to ISO standards 9001, 14001, 22000 and 39001, as are all the sister companies. In addition, they work according to the guidelines in ISO 26000 and 27001.



Reporting malpractice using the whistleblower channel

We want to encourage employees to tell us, if within their work, they experience or witness behaviour that they believe may violate the law, our code of conduct, our values, or our policy documents. With this in mind, we established in 2022 a whistleblower function where they could anonymously report what they had seen or heard. However, we do advise employees to initially contact their nearest manager, their HR contact, or the finance department, whose responsibility it is to take appropriate measures to properly deal with the issues raised. But if the

employee wants to remain anonymous or if they believe that their concerns will not be dealt with properly, they can make a report through the whistleblower function. This function guarantees that the employee is completely anonymous, and the case is handled with total confidentiality. All cases that are reported through this function are investigated by experienced specialists at an external receiver organisation, where the case is initially assessed and with feedback to the employee reporting the case.



Almost 40 % gas trucks at Mörarps Frystransporter

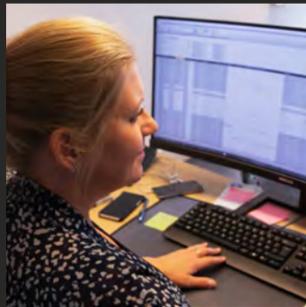
Sustainability issues are always high on the agenda for us at Tempcon and environmental issues have always been a priority. According to the Paris Agreement, we must have a fossil-free vehicle fleet by 2030, however many of our customers are already demanding that this goal be achieved in just a couple of years, by 2025. One factor in reaching this goal is the use of alternative fuels such as gas. Today, the use of LNG (Liquefied Natural Gas) and LBG (Liquified Biogas) is an important step on the way to sustainable transport. One of the major investors in the past year in this area is Mörarps Frystransporter.

Last year the company took delivery of its first gas truck and based on the results from the use of it, the company decided to invest in four more gas trucks in 2022, the latest of which went into operation in August 2022. Through that investment, the company's vehicle fleet now comprises of almost 40 percent of gas vehicles. In order to have as low a CO₂ footprint as possible, the trucks are run solely on LBG. In addition, the company has also equipped its trucks and trailers with hydraulically driven generators of the Ecogen type, which are also powered by gas with the result that there are no emissions from these units.

Some facts about gas

- LNG (Liquefied natural gas) is a fossil gas that is extracted from the ground. When cooled to approximately minus 161° C, it assumes liquid form and becomes LNG. In frozen form, the fuel takes up significantly less space making it possible to transport significantly larger quantities, which in turn increases the range.
- Another option is BioLNG (LBG) which is a renewable fuel that is in reality liquid biogas. The fuel is the result of anaerobic digestion from organic waste. LBG is then handled as LNG and frozen for better utilization.

Using today's technology, it is possible to achieve the same performance from a gas truck as the diesel engine equivalent. One of the most important advantages of using gas is the reduction of CO₂ emissions. With LNG, the reduction is immediately around 20 percent. When using LBG, the reduction can be as great as 100 percent. We at Tempcon see the use of gas vehicles as an important part to achieving our environmental goals. Through the use of gas and other alternative fuels, we contribute to building a transport system with a significantly lower environmental impact which in turn is an important step to becoming the leading temperature-controlled goods logistics company in the Nordics.



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Together for a sustainable future

