



**ESG Questionnaire**  
**March 2025**

# General Industry

Please list the industry's three biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges

## Freight transport emissions

- Freight transport by road contributes to approximately 5% of global emissions and 10% of Swedish emissions (source: Swedish Environmental Protection Agency). As such, the freight industry has an important role to play in reducing emissions to meet the 1.5 degree target in the Paris accord

## Cold chain integrity

- The cold chain involves the transportation of temperature-sensitive products along a supply chain through thermal and refrigerated packaging methods and the logistical planning to protect the integrity of these shipments. This requires large amount of energy, and if not done correctly, the amount of food waste will increase, which equated to wasted resources for producing and handling the perished food. According to UNFCCC (a UN agency): "Food loss and waste account for 8-10% of annual global greenhouse gas emissions – nearly five times the total emissions from the aviation sector – and contribute to substantial biodiversity loss, using up almost a third of the world's agricultural land."

## Work related accidents

- The transport sector is a major employer both globally and in Sweden. According to the Swedish Work Environment Authority, the sector is overrepresented when it comes to work related accidents. It is important to work with injury prevention, traffic safety and decent working conditions to mitigate negative effects in the work environment

Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?

- Yes, we have made a preliminary assessment of Tempcon in relation to the EU Taxonomy. This has been reported to our owners, but it has not yet been included in the annual report. The assessment shows that a large proportion of our company is taxonomy eligible both in terms of Revenue, CAPEX and OPEX. 95% of our fleet is EURO6 or better and 7,5% of our fleet is zero-tailpipe emission vehicles. All new CAPEX related to the fleet is directed to vehicles classed EURO6 or better. We are looking into how large share of the fleet can be categorized as "low emission" vehicle and as such can be reported as aligned as a transitional activity

# Environmental (1/3)

Please list the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities

<p><b>Price volatility</b></p>	<ul style="list-style-type: none"> <li>Price volatility on fuel for trucks and vehicles. This is managed by fuel-surcharges</li> </ul>
<p><b>Supply and demand unbalance</b></p>	<ul style="list-style-type: none"> <li>Supply / Demand unbalance in providing zero-tailpipe emission or low emission vehicles versus customer demand. Investments need to be aligned with customer demand. Investments also need to be made in charging infrastructure, and this is partly outside of Tempcon control</li> </ul>
<p><b>Access to zero-tailpipe and low emission vehicles</b></p>	<ul style="list-style-type: none"> <li>Access to zero-tailpipe and low-emission vehicles due to limited supply and high demand, which could drive up prices, and the residual value when divesting the vehicle is uncertain</li> </ul>
<p><b>Climate-related opportunities</b></p>	<ul style="list-style-type: none"> <li>There is an opportunity to win more business if Tempcon is proactive in offering zero tailpipe emission solutions to customers requiring this. Further, opportunities to reduce risk and volatile energy supply due to better energy efficiency and investments in own renewable energy sources</li> </ul>

Does the firm anticipate any climate-related investments, and if so to what extent?

<ul style="list-style-type: none"> <li>Continued investments in zero-emission and low-emission vehicles to meet CO2 reduction targets, customer demands and increasing regulatory pressure. Continued investments in energy efficiency solutions for our cold storage units and continued investments in renewable energy such as solar panels on the roofs of our warehouses</li> </ul>
--

# Environmental (2/3)

**Circular Economy: how are purchases and waste managed? If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, reusing substitutes or improved resource efficiency?**

- Tempcon strives to minimize waste generated by re-use and efficient resource use. Waste that can't be reused is recycled. The fractions of waste are packaging, rubber (tyres), plastic and metal. All of these fractions can be recycled. Hazardous waste is generated from motor oil, lube oil and residue from the washing stations. Total waste generated was 317 tonnes in 2023 whereof 87 tonnes was hazardous waste. Hazardous waste is disposed of in line with Swedish law.
- Tempcon does not rely on any scarce resources.

**Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, how has the firm positioned itself to handle that risk?**



- The biggest transition risk is to not manage the shift from trucks and vehicles with combustion engine to zero-tailpipe emission vehicles. This could lead to lack of competitiveness and worse customer perception.
- On the other hand, if Tempcon can anticipate the shift, there is an opportunity to win market share. We are already investing a lot in lower emission vehicles. Our fleet is already 7,5% electrified, which is significantly above the general Swedish fleet, of which only 0,6% of heavy trucks was electrified in 2023 (source: Trafikanalys)

# Environmental (3/3)

Have you set a target to become carbon neutral? If so, how have you defined carbon neutrality?

- Tempcon has set carbon reduction targets in line with the Swedish national targets for the transport sector, i.e. climate impact from transport shall be reduced with 70% in 2030 vs. 2010 baseline

Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. Please list the corresponding most relevant UN Sustainable Development Goals. What proportion of sales can be directly linked to selected UN SDGs?

Mean #1	<ul style="list-style-type: none"> <li>Reduce emissions from our trucks and vehicles by shifting to zero-tailpipe or low emission vehicles</li> </ul>	Corresponding SDG	
Mean #2	<ul style="list-style-type: none"> <li>Continue to invest in energy efficiency and renewable energy production at our cold storage locations</li> </ul>	Corresponding SDG	
Proportion of sales directly linked to selected UN SDGs	<ul style="list-style-type: none"> <li>95% of the group sales is linked to SDG13</li> <li>1,6% of the group sales is linked to SDG7</li> </ul>		

# Social (1/2)

**Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?**

- Yes, as mentioned above, the transport sector is a high-risk industry. Tempcon has a long-term target for zero accidents. The company supports the Swedish "zero vision" meaning there should be no work-related fatalities or severe injuries in traffic. There has not been any fatalities or severe injuries in the past three years. The level of work-related accidents is however too high with 70 work related injuries in 2023. The target for 2024 was to have a 10% reduction in work related injuries, which was nearly achieved (57 accidents). There is a policy in place to reduce accidents and a self assessment program is in place to ensure drivers control factors such as speed, sobriety, working time, use of seatbelt and use of handsfree. There is a dedicated role in the Group for monitoring and following-up on these aspects

**If applicable, please state your targets for gender and cultural equality and indicate the relative split of men/women at every level of the firm, particularly the Board of Directors and management team**

- The target is to achieve a good gender balance, but no explicit target is stated. The transport sector is inherently male-dominated but Tempcon is working actively to recruit more women in all departments and all levels of the company
- Board of Directors: 80% male / 20% female
- Management Team: 100% male
- Company total: 89% male / 11% female

**Does the company conduct any other community engagement activities aside from those directly connected to the business?**

- To promote gender equality, we are supporting the women team in both Röggle BK (ice-hockey) and Helsingborgs IF (football)

**How often does the firm conduct audits of its suppliers, and how often do you discover incidents not compliant with your code of conduct?**

- Our policy states that follow-up of subcontractors is done regularly, but there is no fixed cadence. We have a close collaboration with all sub-contractors, so we are confident that any irregularities will be found. We enforce tight control over all our sub-contractors when it comes to union agreements, code of conduct and compliance with Swedish law governing the transport sector. As such, the risk related to the supplier base is mitigated. Cases of non-compliance are rare, but if non-compliance is found, then appropriate action is taken

# Social 2(2)

<p>Please list the firm's (1-2) primary means of making a positive social impact or minimising negative social impact. Please list the corresponding most relevant UN Sustainable Development Goals.</p>	<p><b>Health and safety</b></p> <ul style="list-style-type: none"> <li>Because the of the high risk for work related accidents, health and safety is an important strategic matter for Tempcon</li> </ul>	<p>Corresponding SDG</p>	
	<p><b>Working conditions for subcontractors</b></p> <ul style="list-style-type: none"> <li>Tempcon relies of sub-contractors to carry out a significant part of our transports. It is important to secure good working conditions for subcontractors</li> </ul>	<p>Corresponding SDG</p>	
<p>What proportion of sales can be directly linked to selected UN SDGs?</p>	<p><b>Proportion of sales directly linked to selected UN SDGs</b></p> <ul style="list-style-type: none"> <li>100% of the revenue is related to SDG8 because we want to ensure good health and wellbeing in the entire company. 37% of the transport revenue is generated by subcontractors, and is as such connected to SDG12</li> </ul>		

# Governance (1/2)

---

**Do all staff members receive continuing education on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?**

- Tempcon has zero tolerance for corruption and bribery. The policy is enforced regularly. There have been no known instances of bribery or corruption in the past three years. The company has an external whistle-blower function. 12 cases were tried in 2023 whereof one case warranted a further review while the remaining 11 was referred to the QMS as non-conformities.

**Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen**

- Tempcon is tax resident in Sweden, since 100% of the company operations is in Sweden.

**How many independent members sits on the Board of Directors?**

- One of five board members meets the criteria for independence per the Swedish code for governance.



# Governance (2/2)

**Please state if and to what extent, the company has transactions with related parties**

- To a very small extent. There is a rental agreement between the company and a related party.

**Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?**

- There is no bonus program in the Group. There is a participation scheme where key employees can acquire shares.

**Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the Board. In your response please confirm what KPIs are monitored (if any) and how frequently reporting is undertaken**

- The following sustainability related KPIs will be reported by the subsidiaries quarterly and reviewed by management on a quarterly basis:
  - Work-related injuries
  - Gender diversity
  - Waste
  - Emissions from own fleet
  - Electricity consumption
  - Business Travel
  - Corruption

**Have you signed a Union agreement?**

- Yes

# Principle Adverse Impact (1/2)

PAI (numeric)

<b>Revenue (EUR)</b>	<ul style="list-style-type: none"> <li>3.1 bn SEK</li> </ul>
<b>Greenhouse gas emissions; Scope 1, Scope 2, Scope 3</b>	<ul style="list-style-type: none"> <li>Scope 1: 52 300 tonnes CO<sub>2</sub>e</li> <li>Scope 2: 116 tonnes CO<sub>2</sub>e</li> <li>Scope 3: 19 200 tonnes CO<sub>2</sub>e</li> </ul>
<b>Share of non-renewable energy consumption</b>	<ul style="list-style-type: none"> <li>11% (2023)</li> </ul>
<b>Share of non-renewable energy production</b>	<ul style="list-style-type: none"> <li>0% (2023)</li> </ul>
<b>Energy consumption in GWh</b>	<ul style="list-style-type: none"> <li>12 982 929 kWh (2023)</li> </ul>
<b>Tonnes of emissions to water</b>	<ul style="list-style-type: none"> <li>No emissions to water is recorded</li> </ul>
<b>Tonnes of hazardous waste and radioactive waste generated</b>	<ul style="list-style-type: none"> <li>87 tonnes of hazardous waste (2023). No radioactive waste is generated</li> </ul>
<b>Unadjusted gender pay gap</b>	<ul style="list-style-type: none"> <li>Salary benchmark has not been conducted in the past. This is now initiated and work in progress.</li> </ul>
<b>Board gender diversity</b>	<ul style="list-style-type: none"> <li>80% men, 20% women</li> </ul>

# Principle Adverse Impact (2/2)

PAI (Yes/No)	Fossil fuel operations	▪ No
	Sites/operations located in or near to biodiversity-sensitive areas where activities negatively affect those areas	▪ No
	Science Based Target	▪ No
	Reports to CDP	▪ No
	UN Global Compact Signatory	▪ No
	Involved in the manufacture or selling of controversial weapons	▪ No
	Whistle blower policy	▪ Yes
	Supplier code of conduct	▪ Yes