

Sustainability Report

2023





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Increased cooperation is the way forward

Climate change is one of the biggest challenges we are facing. By 2050, our net greenhouse gas emissions will be zero. To succeed in this, we need to both increase the pace of our own conversion work and deepen our cooperation with customers and suppliers, requiring investment in new technologies and solutions. At the same time, we must continue to meet our customers' demand for cost-effective transport solutions, in order to be able to run a competitive business. A step/by/step and collaborative approach are required to succeed on this tightrope.

However, our sustainability work is not just about the environment. Safety is, and has always been, our top priority, and our natural vision is for no one to be harmed in their work. In our role as an employer, we also continue to strengthen our employees and increase their opportunities to grow, develop and participate in creating a successful and sustainable business. And last but not least, we look forward to increasing our social commitment and contributing to a more inclusive society for both young people and adults.

*Thomas Ström,
founder and CEO
of NTEX*



NTEX in brief

NTEX is one of Sweden's largest privately owned freight forwarding agents, with 1,082 employees, offices in 13 countries and a turnover of approximately SEK 3.8 billion. Working globally as we do, we offer customised transport and logistics solutions both domestically and internationally. The Group has more than 1,300 trailers, 290 trucks and 16 terminals for logistics and transshipment in Europe. In addition to the assignments we handle with our own vehicles in Sweden and Europe, we also have an international network of suppliers for transportation by truck, ship, train and air.

NTEX was founded in 2003 by the company's CEO and co-owner Thomas Ström. Stena Rederi AB has been the majority owner of NTEX since 2020.

Our sustainability work

As a major player in our industry, we bear significant responsibility toward employees, customers, suppliers and society at large. We are well aware of the impact of the transport sector on climate, the environment, health and safety. Through gradual improvements, we continuously strive to reduce our footprint and move development forward in a sustainable direction. In our Sustainability Report for 2023, we present the issues we are focusing on, the results we have achieved and our aims going forward.

We have chosen to focus mainly on two of the UN's global sustainability goals: **Climate action** and **Sustainable cities and communities**.



"Here at NTEX, we are deeply committed to and interested in sustainability, which gives us the strength to enact change."

In 2024, we will focus primarily on developing our organisation and shaping a clear structure for our sustainability work. Through various training initiatives, we will increase proficiency in this area throughout the group. We are also preparing to report in accordance with the EU's Corporate Sustainability Reporting Directive in our forthcoming sustainability audit. Our ambition is to be able to meet expectations and answer questions from customers, suppliers and employees in an open and transparent way.

Here at NTEX, we are deeply committed to and interested in sustainability, which gives us the strength to enact change.

*Karolina Skeppner,
Manager for Sustainability,
Quality and Environment
at NTEX AB*



Our role in the sustainability transition



Part of the global transport chain

The transport sector accounts for about 21 per cent of global greenhouse gas emissions, of which commercial transport accounts for about 9.5* per cent. If the global temperature increase is to be slowed down, this trend must be reversed and emissions from the transport industry reduced at a rapid pace.*

The 'Our World in Data' organisation, global CO₂ emissions from transport, 2018.

Climate change is our top priority

This means that the climate issue is paramount for both our industry and NTEX's sustainability work. In order for us to be able to implement emission reduction measures where they are most useful, it is crucial that we have an overview of all the links in the value chain that we form part of. Carbon dioxide emissions that can be linked to our business can be divided into direct emissions (scope 1), indirect emissions (scope 2) and indirect emissions that we do not control but still cause (scope 3).

From fossil to fossil-free

Transforming the transport sector to become more sustainable is crucial if we are to achieve both national and international climate goals. To reduce greenhouse gas emissions, transport needs to be more efficient while fossil fuels are gradually replaced with fossil-free alternatives. In order to

reduce the risks of other negative effects for health and the environment, emissions of air pollutants, in particular nitrogen oxides and particulate matter, must also be further reduced. At the same time, the global need for commercial transport continues to increase, making the challenge even greater.

Greenhouse gas emissions

Most of our greenhouse gas emissions fall under Scope 3, as 80 per cent of our transports are carried out through external haulage operations. The remaining 20 per cent are carried out by internal haulage companies and fall under Scope 1.

EMISSIONS. Scope 1, 2, and 3 come from the Greenhouse Gas Protocol (GHG Protocol) and are used to measure companies' greenhouse gas emissions.

SCOPE 1

Includes the emissions that take place in our own operations (direct), for example greenhouse gas emissions from our own haulage companies.

In 2023, our internal haulage companies Lättfrakt and Eurolink generated about 11,700 tonnes CO₂e*.

SCOPE 2

Includes emissions (indirect) from purchased electricity, steam, heating and cooling.

SCOPE 3

Concerns other indirect emissions from, for example, external haulage companies, purchased materials, product use, etc. that the organisation does not own or control.

In 2023, NTEX Inrikes generated approximately 162,000 tonnes CO₂e**.

* Includes the fuels diesel, HVO, and RME. The calculations are based on the amount of fuel used. The companies together have 138 trucks, which corresponds to about half of our vehicle fleet

**In The calculations, we have taken into account a higher equivalent in urban driving (short distances), which constitutes a large part of NTEX Inrikes' operations.

Risks and challenges

NTEX's transition to more sustainable operations is influenced by both our own choices and what is happening in the world around us. We have identified four areas where developments may involve legal, market-related and financial risks that could compromise our ability to achieve our goals.

- » Dependence on fossil fuels and related greenhouse gas emissions are our biggest challenge. A transition to fossil-free fuels can entail significant additional costs in terms of both new vehicles and fuel. Furthermore, access to fossil-free alternatives is limited.
- » Accidents and injuries to people, vehicles and goods during transportation, loading and unloading can lead to both harm to people and major economic consequences.

- » Lack of collaboration. The transition requires large and coordinated investments in new refuelling/charging infrastructure and new vehicles. This necessitates long-term policy decisions and an increase in cooperation between vehicle manufacturers, energy companies, haulage companies and transport buyers.
- » Unforeseen events, such as natural disasters, pandemics and conflicts of various kinds, can lead to serious disruptions to supply chains, which in turn can lead to missed assignments and lost revenue.

The following pages show how we plan to tackle the challenges we face.

Net zero by 2050



What we want to achieve and how we will get there

Environment

Reducing greenhouse gas emissions is our most important contribution to sustainable development. By 2050, the climate-altering emissions from our operations will be net zero. At the same time, we will continue to reduce emissions of other air pollutants that affect health and the environment.

Safety

Safety is always top priority at NTEX. No people and no goods shall be harmed in our operations or in connection with the transports we carry out and arrange.

People

Our employees are our most important resource. This is why we are committed to creating an inclusive, equal corporate culture and a positive working climate.

Society

Our ambition is to contribute to sustainable development through responsible business operations and increased social commitment.

NET ZERO BY 2050. Net zero means that our operations will not generate a net contribution of greenhouse gases to the atmosphere. To make this possible, both significantly reduced emissions and climate-compensating measures are required.

Environment

The vast majority of our environmental impact can be attributed to the emissions of greenhouse gases and other air pollutants from the transports we carry out or arrange. Our goal is to reduce carbon dioxide emissions by 50 per cent by 2040 and to reach net zero by 2050. This is a major challenge that requires us to work in parallel with a number of different measures.

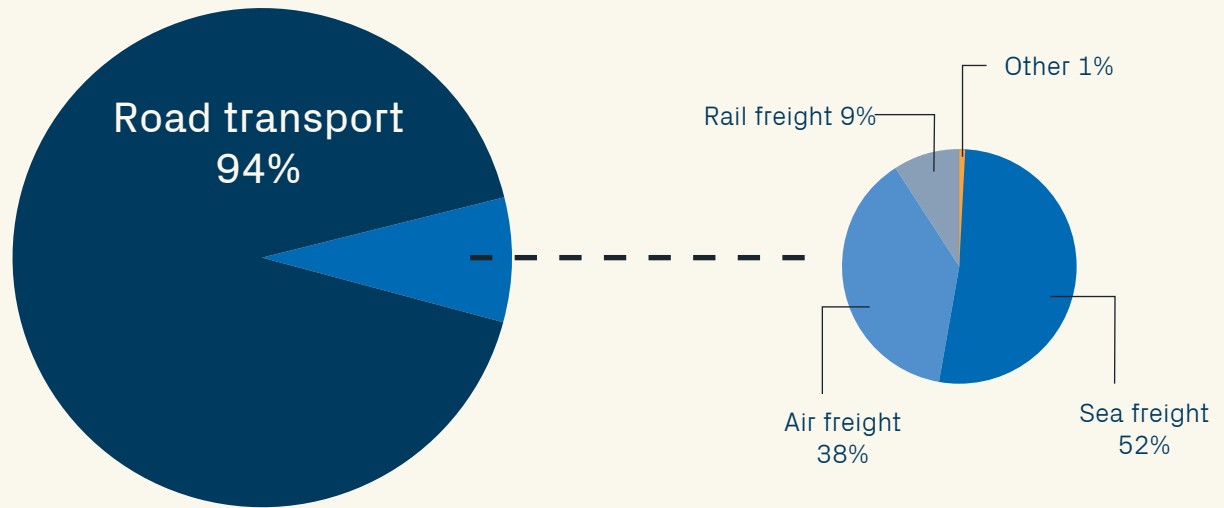
“Our goal is to reduce carbon dioxide emissions by 50% by 2040.”



Choice of mode of transport

In 2023, we handled about 900,000 consignments. Our ambition is to always choose the mode of transport that best meets the customer's needs with the least impact on the climate and the environment. We are constantly developing our offering in close cooperation with our suppliers. In many cases, a truck is the best option overall. In other cases, most of the transport takes place by ship, train or air, but even then the goods are almost always transported by truck for part of the route. Over long distances, a combination of train and truck can be advantageous, providing low emissions, high capacity and good transport efficiency. To facilitate combined transport, all new trailers that we bring into service are designed to be easy to lift on board trains.

Turnover from assignments in 2023



FIGURES. These figures are approximate and rounded to the nearest whole number.

900 thousand

IN 2023, WE HANDLED ABOUT 900,000 CONSIGNMENTS.

Vehicles and fuels

Our own vehicle fleet comprises 290 trucks. They meet both our requirements for good fuel efficiency and the European emission requirement Euro 6. Of these trucks, 280 have an internal combustion engine and can run on HVO or diesel. All new diesel and HVO trucks that we buy are equipped with fuel saving packages, which reduce consumption by up to ten per cent. Five trucks are powered by biogas (LBG) and five are powered by electricity, two of which were purchased in 2023. Our ambition going forward is to gradually increase the proportion of vehicles powered by fossil-free fuels.

Our goal is for all trucks used to carry out transports for us and for our customers to meet the requirements of Euro 6. Our assessment of our suppliers also examines to what extent they use renewable fuels, and how we can work together to reduce our climate impact.

Option for customers to choose HVO

For a number of years, we have been offering our customers in Sweden the option to climate compensate their transports. In 2023, more than 20 customers took advantage of this opportunity. The climate compensation is carried out through grants for projects certified according to the Gold Standard.

Anyone who purchases transport services from us can also actively choose HVO or biogas as a fuel. We then guarantee to purchase and use HVO/

biogas to an extent that corresponds to the need for the transport ordered by the customer. This works in a similar way to choosing electricity from renewable sources.

Within the NTEX Group Lättfrakt is one of the companies that has come furthest in the use of non-fossil fuels. In 2023, HVO, LBG and electricity accounted for 19 per cent of the company's fuel consumption.



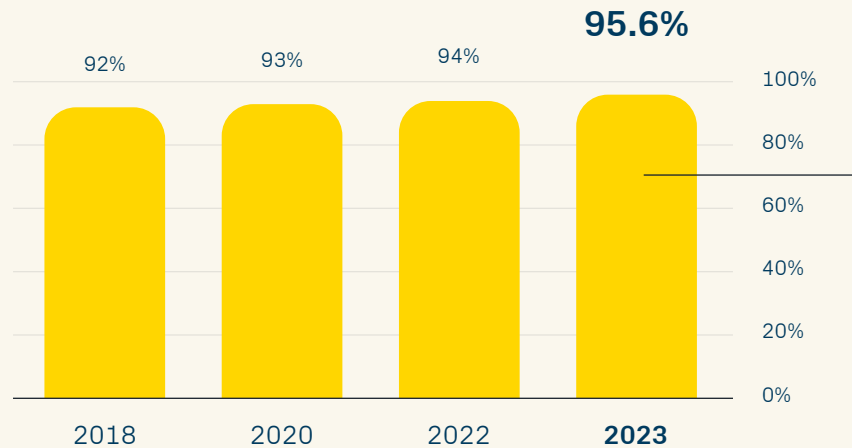
Higher fill rate, route optimisation and minimal empty runs

The more efficiently we can use each means of transport, the lower the impact on the climate and environment per transported unit. Therefore, we always strive to make the best possible use of the available load capacity, to minimize the amount of driving with empty vehicles and to optimise routes so as not to travel longer distances than necessary. Our truck transports currently have an average fill rate of 96 per cent. In 2024, we will introduce a new transport management system, which will make it easier to measure the number of empty runs and create even better conditions for both groupage and route optimisation.

Calculation of CO₂ emissions

For customers who want to know the climate impact of a specific transport order, we offer calculation of CO₂ emissions, based on fill degree, fuel, weight and mileage. This is a service that more and more customers are choosing to take advantage of.

Fill degree in the last five years



OBJECTIVE. For 2023, we had the goal of reaching a fill rate of 96%. Going forward, the ambition is to increase the fill rate further.

Key figures and goal

| KPI | TARGET | ACTUAL RESULT 2023 |
|---|------------------------|--------------------|
| CO ₂ emissions from traffic | Decrease by 50% | - |
| - EURO 6 | 100% | 100% |
| - NUMBER OF VEHICLES RUNNING ON FOSSIL-FREE FUELS | ↗ 5 gas, 5 electricity | |
| - FILL DEGREE (EXCLUDING EMPTY RUNS) | ↗ | 95.96% |

↗ TO INCREASE ↘ TO DECREASE

FUTURE KEY FIGURES WHERE MEASUREMENT BEGINS IN 2024

| | TARGET |
|---|--------|
| NUMBER OF LITRES OF HVO IN RELATION TO DIESEL | ↗ |
| NUMBER OF FOSSIL-FREE FIXED ROUTES | ↗ |
| DISTANCE OF FOSSIL-FREE RUNS IN KM | ↗ |
| NUMBER OF EMPTY RUNS | ↘ |

↗ TO INCREASE ↘ TO DECREASE



FUTURE KEY FIGURES. In order to be able to follow up on and report the results in detail, we will establish a base year for greenhouse gas emissions in 2024, introduce more measurement criteria, more targets and new working methods.

Safety

For those of us who work with logistics and transport, safety is our top priority. Safe vehicles and safety-conscious employees who comply with laws and regulations minimise the risk of accidents and disturbances both in traffic and in cargo handling. About seven per cent of our assignments are transports of dangerous goods, which requires special expertise. Ultimately, what it all comes down to is protecting people's lives and health, but ensuring that the goods reach their destination in undamaged condition and at the right time is also key. NTEX's safety work therefore includes not only road safety but also, for example, anti-theft measures, safe handling of goods and information security.

Transport security manual

Our transport security manual contains detailed guidelines on how goods should be transported to reduce the risk of theft, hijacking and other unlawful appropriation. The manual also contains rules for handling and transporting dangerous goods (ADR).

Safety training

In order to create safe and disruption-free operations and meet our customers' demands for safe logistics solutions, we regularly conduct safety training aimed at different categories of employees. In addition to basic broad safety training, we also organise training in cargo handling and the transport of dangerous goods (ADR awareness and ADR Extended), for example. NTEX AB has been registered as a training coordinator with the Swedish Civil Contingencies Agency (MSB) since 2023. In 2024, we will continue to increase our internal safety expertise with a focus on freight forwarders and planners.

Zero accidents. Zero work related injuries.

– *NTEX safety vision*

Driver handbook in nine languages

Our driver handbook describes drivers' responsibilities and powers, and shows how they can contribute to a high level of safety in their daily work. The driver handbook has been published in nine languages so far and is distributed to all drivers who drive for NTEX.



Our own security advisor

In 2023, we employed our own security advisor who carries out risk assessments and monitors and reports on safety-related events within NTEX AB, NTEX Inrikes and NTEX AS (Sweden and Norway), according to regulations issued by the Swedish Civil Contingencies Agency (MSB). These can be external issues such as legislation, and things related to our own operations, such as incidents. Several of the group's other companies have external security advisors, who work in a similar way.

“We will be role models in traffic and work to ensure that our vision of zero accidents is fulfilled.

Key figures and goal

| KPI | TARGET | REPORTED IN 2023 |
|-----------|-------------|------------------|
| ACCIDENTS | Zero vision | 6 |
| INCIDENTS | Zero vision | 30 |

People

It is our employees who make NTEX what it is. Therefore, we are committed to creating an inclusive, equal corporate culture and a working climate where everyone has the opportunity to develop their abilities and thereby also contribute to the company's development. We will work to attract, welcome, retain and develop people regardless of gender, age, ethnicity, sexual orientation or beliefs. This is how we will build a stronger NTEX.

Working environment and working climate

At NTEX, we strive for good and lasting relationships with and between our employees, characterised by respect for the individual. Here at NTEX, everyone has the right to freely organise themselves into associations, and no one should feel they are risking being discriminated against. Through a healthy and safe working environment, we prevent injuries and ill health. Our managers and safety and environmental representatives undergo work environment training and we conduct regular safety tours at all workplaces.

Sustainability manager

Since 2023, we have a designated sustainability manager at NTEX with the task of taking a more substantial approach to sustainability issues and driving our sustainability work forward. In 2024, we will educate our employees on sustainability issues.

Conditions of employment

As a minimum requirement, we must always comply with the laws, regulations and collective agreements that apply in the countries where we are established. We do not hire anyone under 15 years of age. All new employees must also be allowed to sign our code of conduct, which describes our approach to business partners and employees.

Equality

Based on our equality policy, which was introduced in 2015, we are actively working to promote increased equality. The policy states, among other things, that all employees shall have equal rights and opportunities in terms of work and development, and that we have zero tolerance for harassment and bullying. We are convinced that mixed groups create added value and a good dynamic, which can provide a more multifaceted perspective and help create a learning organisation.

43%

PERCENTAGE OF EMPLOYEES WHO ARE WOMEN.

0/5 NUMBER OF WOMEN ON THE BOARD.

14% PERCENTAGE OF SENIOR POSITIONS HELD BY WOMEN.

Society

In our role as a logistics company, we contribute to a well-functioning society through efficient, safe transport with ever lower environmental impacts. By adopting new vehicle technology and participating in collaborations and projects with a sustainable focus, we are involved in influencing this development. And as a responsible employer and business partner, we create jobs and growth. Our relationships with other operators in society are based on trust, respect and confidence. Three values that form the basis for our business ethics.

Strategic community involvement

For a number of years, NTEX has provided financial support to various non-profit organisations and projects that make important social contributions in Sweden and abroad, not least for young people. Handball team IK Sävehof's #viställerrupp campaign, WWF, the Swedish Cancer Society (Rosa bandet), Mustasch-kampen and Hand in Hand's 'Next Step Kenya' are just some examples. In order to take a more substantial approach to the issue, we will also start planning more strategic and focused community engagement with clear goals that can be followed up on in 2024.



Anti-corruption work

NTEX has a clear and solid business ethics. We have a zero-vision when it comes to corruption and demand transparency, integrity and honesty in all areas of our business. This is described in the company's code of conduct and anti-corruption policy. Corruption cases are included in whistleblower reports.

0 whistleblowing
reports in 2023.

Our policies

Principles

- » We conduct operations with high integrity and morals.
- » We follow the laws and regulations that apply in the countries we operate, and on this basis we also prohibit child labour. If this is discovered or suspected, NTEX will contact the relevant authorities to take action.

Code of Conduct and anti-corruption

Relationships with business partners and staff:

- » NTEX respects and adheres to the human rights set out by the United Nations, where discrimination is a violation of people's equal value and right to equal treatment.
- » We do not accept, promote or support money laundering. We do not do business with any sanctioned country, company or individual if the sanction is applicable to us.
- » Of course, we reject child labour and modern slavery.
- » All NTEX activities aim to create value by offering competitive services and products in accordance with good business practice.

- » We will deliver with quality and with an efficient use of resources, prioritising the environment.
- » We advocate for open markets and fair competition and do not enter into discussions or agreements – formal or otherwise – with competitors on pricing, market sharing or any other activities that violate the rules of fair competition.
- » NTEX's reputation as a company with integrity and that people trust must not be compromised by demanding or accepting bribes or other undue benefits.
- » The anti-corruption policy states that NTEX shall demonstrate honesty and integrity in interactions between the company's employees, stakeholders and the rest of the world.
- » No employee may, directly or indirectly, offer, promise, give, demand, accept or solicit unlawful or improper payments and shall decline personal gifts, entertainment or other forms of compensation from existing or potential business partners that may affect or appear to affect the objectivity of their business arrangement.

- » As an employer, we ensure that wages and other benefits meet at least the minimum level required by law and industry standards in the country of operation.
- » We also comply with applicable laws and industry standards regarding working hours in the countries in which we operate.
- » Employees have the right to holiday, sick leave and parental leave, and to report misconduct confidentially and without negative consequences.
- » Employees who observe an action that is suspected to be in conflict with NTEX's corruption policy are expected to report this to the company's management.

Other policies

- » Working environment
- » Corporate social responsibility
- » Human rights
- » Sustainability
- » Equality, discrimination and sexual harassment
- » Safety
- » Whistleblowing
- » Anti-corruption



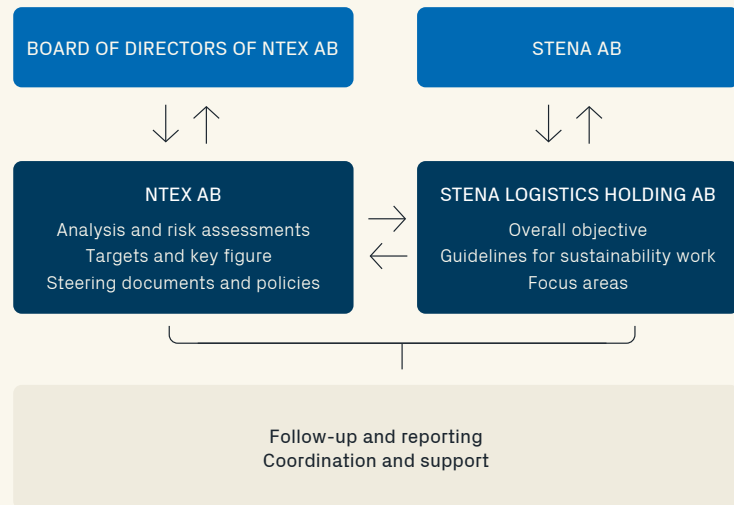
Management

The NTEX Sustainability Report describes the Group's sustainability work during the financial year 2023. Sustainability work is guided by the same principles used by Stena AB.

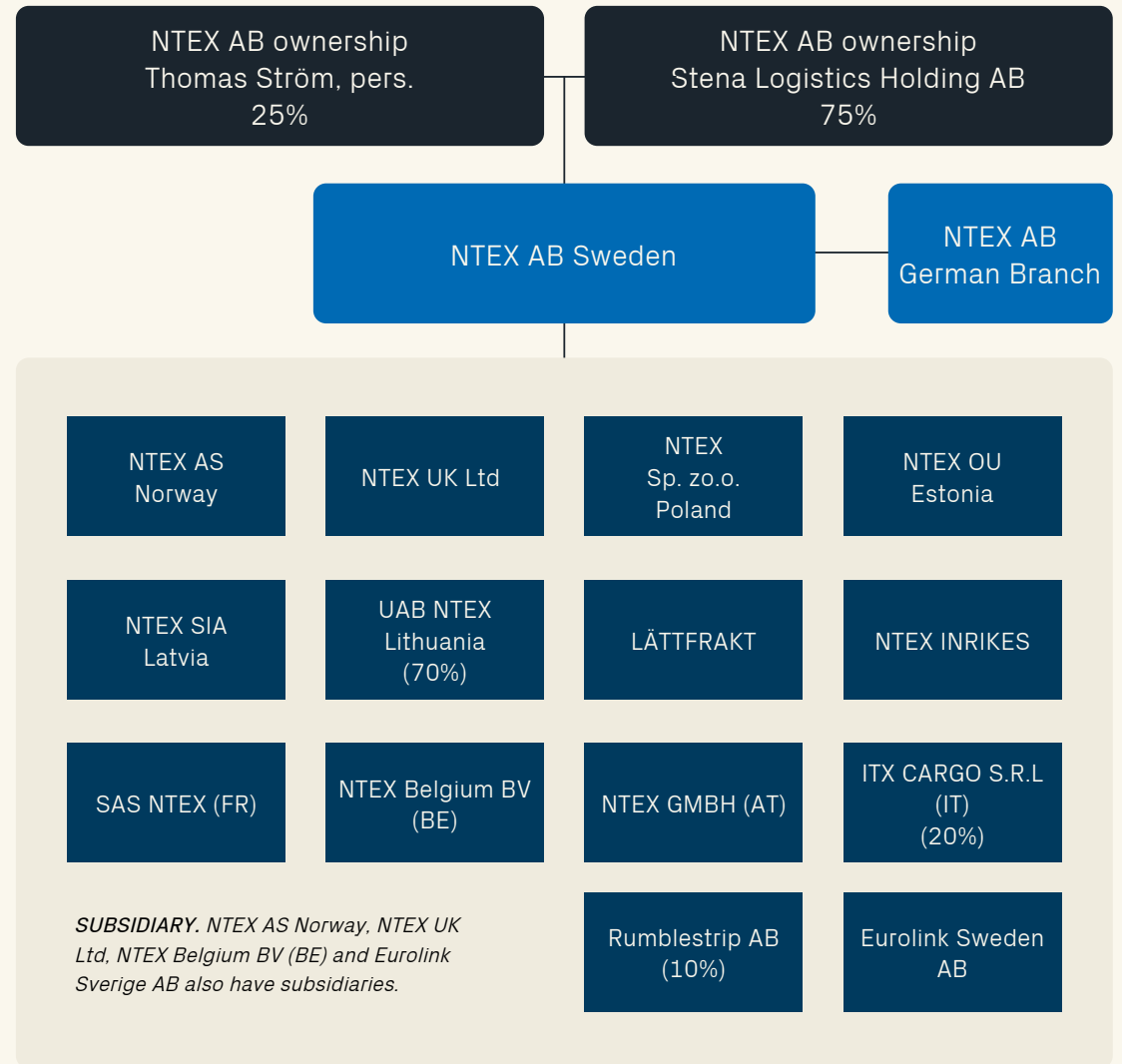
NTEX AB is certified according to ISO 9001 and ISO 14001

For more information about NTEX's sustainability work, please contact Karolina Skeppner, manager for sustainability, quality and environment at NTEX AB, karolina.skeppner@ntex.com

Sustainability management



Group structure





NTEX