

SUSTAINABILITY REPORT

2022





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ABOUT GN TRANSPORT



Our business concept is to be a niche company in the transport industry with a strong focus on the French market with Scandinavia as a base.

Our objective is to be the leading transport company in Europe in terms of delivery security and quality with a focus on transports to and from France.

Our vision is to work with continuous improvements and at the same time be a unique transport company. We operate a corporate culture that puts the employee at the center and together we create a corporate climate that provides long-term profitability.

ORGANIZATION

GN Transport is a family-owned company that started in 1986 and has its origins in Gert Carlsson's Åkeri in Getinge. Founder and former CEO, Per-Olof Nilsson, handed over the CEO position a few years ago to his son, Henrik Nilsson. There is a familiar spirit within the company that extends to all of the company's stakeholders, including employees as well as suppliers and customers.

Having close collaborations and secure relationships leads to long and sustainable collaborations and satisfied staff who remains within the group for a long time. This in turn leads to an even stronger company spirit and knowledgeable employees who can deliver services at the absolute highest level.

ORGANIZATIONAL CHART



BASIC VALUES

At GN Transport, we have always worked based on strong values for people as well as for the planet at large. Working in the logistics industry, as we see it, places extra high demands on sustainability concerning climate and environment.

By constantly striving to be at the forefront of climate-smart vehicles, route planning to minimize emissions and much more, we do our utmost to help create a greener planet. While at the same time we must value our core business and make our customers as happy as possible and achieve profitability. Provide the best possible service is always our highest goal. We achieve this by having satisfied employees who respect each other and each other's opinions in an office landscape that is imbued with diversity and freedom to express opinions.



ABOUT GN TRANSPORT

HISTORY GN TRANSPORT

1986

GN Transport has its origins in Gert Carlsson's Åkeri in Getinge

1987

The company moved to Halmstad and at the same time changed its name to GN Transport i Halmstad AB

1988

The business idea was born – to start operating on the French market

1989

The French company Cornille Transport was bought in order to secure a platform in France and get closer to the French culture

1998

New premises were built along the E6 in Mellbystrand

1999

The express service started in March with departures every 24 hours

2006

Company in Luxembourg was established

2008

GN Transport is moving "home" to Halmstad again in newly built premises

2009

ISO 9001 and ISO 14001 certification

2010

Investment domestically as well as in Spain & Portugal

2011

GN Transport is developing a climate-smart alternative, so-called intermodal transport – trains in combination with trucks, both nationally and internationally

2012

Extends warehousing services and third party logistics

2013

Acquires TPL in Halmstad AB, as part of the future strategy to broaden the range of services and also to be able to offer customers third party logistics in combination with transport

2014

TPL changes name to GN Logistics

2018

Inauguration of our new terminal/warehouse in Bettendorf (Luxembourg)

2019

New CEO appointed

2020

GN Logistics inaugurates its new premises of 13,400 m². The building is adjacent to GN Transport's head office

2022

The group exceeds 500 million SEK in turnover per year

POLICIES & RISKS

We continuously work to make sure we have updated policy documents drawn up within all areas of the business. Through this work, GN Transport minimizes the risks that the industry entails. Examples of policy documents drawn up and worked on are Environmental Policy, IT Policy, Operations Policy, Ethics Policy and a Code of Conduct. Our employees work in line with our policies to ensure a safe workplace and reduce risks within the business. In line with this, GN Transport works to ensure that all our stakeholders also work based on similar policies and to maintain high sustainability goals.

GN Transport also has two ISO certifications after a specific audit regarding this has been carried out. We value these certificates highly as they are proof that our business works in a correct way in terms of sustainability, while at the same time it gives us the opportunity to further develop in terms of environment and quality.

ISO certificate 9001 – Quality certification

- Higher productivity
- Higher accuracy in managing the operations
- Employees gets a better understanding of the overall picture
- Increased competitiveness



ISO certificate 14001 – Environmental certification

- Improves the company's relations with customers and the environment
- More efficient use of materials, energy and waste management
- Employees gains knowledge about and becomes involved in environmental work
- Market advantage as the certificate may be required by some customers

UN SUSTAINABILITY GOALS

Achieving sustainability on a global level in an effective way requires that everyone, private individuals as well as companies, work towards the right and common goals. Therefore, GN Transport makes use of the UN's Sustainability Goals, which we try to incorporate into our organization at as many points as possible.



Within **Climate & Environment** for our business, our focus regarding sustainability is on these points. We can contribute to a better climate through active measures in the environment. GN Transport is in constant development to upgrade both premises and vehicles to more environmentally friendly choices in order to minimize our climate impact. Together with our partners and employees, we are aware that we can make a big impact, both positive and negative. With this as a background, we have a constant beacon to strive towards and this features throughout all our organization.



In order to have an organizational structure and corporate culture with maximum opportunities to work towards better global health, our **Social Sustainability** is at least as important. By taking care of our employees and providing them with information and training, the whole group of GN Transport can strive towards a common goal. Employees within our group must feel valued and have a safe environment in their workplace. One step towards this is open employee interviews together with a wide range of employees within both gender, culture and socio-economic affiliations.



WORD FROM THE CEO

What does sustainability mean to you, both personally and in relation to GN Transport?

For me, sustainability is a broad concept with the “root” in common sense. It is important for me personally to contribute to a sensible way of thinking at all levels in private life. Small or large, everything from sorting waste to caring for people close to me. I also try to reflect this within the company. As well as for our staff and when it comes to purchasing and selling to complete the circle. We constantly strive to maintain high quality at all levels and high quality contributes to good sustainability as I see it.

What is your view on sustainability as a business opportunity?

We have for many years combined truck transport with trains and thus always had sustainability in mind. Many of our customers request, and sometimes demand, for example ISO certificates. Therefore, it comes naturally for GN Transport to have a business model that incorporates sustainability to retain existing customers and also gain new ones.

In what ways do you think the transport sector in general will adapt in the future with respect to the environment?

In the coming period, the transport sector will have to adapt to several alternative fuels by weighting different combinations of transport modes.

In short term, traditional fuel sources will continue to be important, but more and more switching to combinations with electric vehicles for shorter distances and hydrogen vehicles for longer transports. For the owner of the goods, planning and proactiveness will be important to secure their deliveries with the right transport solution with as low emissions as possible.

What does the future look like for GN Transport?

When it comes to sustainability, GN will be interested in new alternative fuels for the vehicles and sustainable multimodal transport solutions with the help of our geographically well-placed terminals in Sweden and Luxembourg. We always put the customer at the center and do our utmost to offer what they ask for. As sustainability, which in our case is largely about reduced transport emissions, is in demand and the customer is prepared to pay for the direct price increases that emission-efficient fuels entail, we are always ready to offer these alternatives.

“a high quality in itself contributes to good sustainability”



Henrik Nilsson
CEO - GN Transport

CLIMATE & ENVIRONMENT

It is hard to overestimate the climate threat. Global warming and climate change will lead to catastrophic consequences. The poorest and most vulnerable people on our planet are hit hard, among other things due to threatened food production, but also we in Sweden will be hit more and more often and to a greater extent.

In the latest report from the UN climate panel IPCC, we can among other things see how emissions of greenhouse gases during 2010–2019 were the highest in any decade ever.

GN Transport wants, in everything we do, to reduce our ecological footprint for a more sustainable development in climate and environment. We use the UN's climate work and the Paris Agreement as a guide for our group to minimize its emissions and compensate in other ways within the business to achieve climate neutrality in the long run.

GN TRANSPORT'S CLIMATE WORK



BIOGAS TRUCK

Investment in Biogas trucks. Biogas trucks are very fuel efficient. The emissions of nitrogen oxides are also reduced by 90%, although the performance remains the same.



TRAIN

GN Transport has implemented transport via train lines with departures every week. The trains go from Eskilstuna to Trelleborg and from Rostock to Bettembourg and from Bettembourg to Lyon.



SOLAR CELLS

In Luxembourg, we have installed solar cells on the roof of the entire terminal. The subsidiary GN Logistics has prepared to be able to install solar cells in the future at its newly built logistics property in Halmstad.



EcoTransIT

We use the software EcoTransIT to calculate our emissions. It is a flexible tool for complex calculations that help us report correct numbers as well as being able to offer our customers detailed emission reports.

FREIGHT TRANSPORTS IN FOCUS

Many of the goods we consume are produced far away. This means that the number of road transports are constantly increasing, as well as traffic jams and also air and ground pollution. GN Transport is constantly working to increase efficiency, productivity and our level of service, while work is ongoing to reduce the environmental impact of our transports.

Our most important environmental and quality aspects for our business are the following:

- Air pollutions
- Soil and water pollutions
- Delivery precision (time / place)
- Damaged goods

We follow up on several parameters regarding our improvement work:

- Delivery precision (time / place)
- Degree of filling
- Damaged goods
- Intermodal traffic
- Fuel consumption
- Euro class for diesel engines

To achieve the best possible positive results in these areas, GN Transport has an active environmental management at all levels.

- We have management systems, routines and training plans to ensure that at least all relevant laws, regulations and standards are followed.
- Our environmental management system is ISO 14001 certified.
- To achieve continuous improvement, we involve our workforce, including subcontractors, partners and other interested parties, in the environmental management work.
- Our ambition is to constantly improve the environmental rating for our services by finding ways to reduce negative environmental effects.

99.85% of 52,000+ shipments in 2022 were delivered in correct condition



LED LIGHTING

We at GN Transport believe in looking at every single detail in order to reduce our footprint on the climate and the environment. As part of this, major work has begun to renew the lighting in all premises.

Switching to LED lighting is a good way to reduce the impact on the environment and at the same time improve cost efficiency through investments. Until today, we have made investments in LED lighting that are estimated to reduce the number of kilowatt-hours per year by more than half

This investment is made in our main terminal and we are continuously working to make investments to update and, if necessary, renew lighting in the remaining terminals and premises that GN Transport owns.

SAVINGS THROUGH LED

Previous armatures: 205 older fluorescent tubes
Consumption: 116w/lamp
 $205\text{pcs} \times 116\text{w} = 23780\text{w}$

New armatures: 205 LED lights
Consumption: 57w/lamp
 $205\text{pcs} \times 57\text{w} = 11685\text{w}$

Estimated operating time at terminal per year: 6968 hours.

Previous armatures = 165,699Kwh/year

New armatures = 81,421Kwh/year

Savings = 84,278Kwh/year

MODERN & CLIMATE SMART FLEET

Since the majority of our transport routes go by truck, this is the area where it is absolutely most important to view how GN Transport operates. With a modern fleet where the absolute majority consists of EURO 6-classified trucks, we minimize emissions.

The company has also invested in a truck that runs on gas. The transport that run on biogas, LBG100, instead of diesel reduce our carbon dioxide emissions by up to 90%*. We constantly look at the possibility of investing in additional gas trucks to reduce our climate footprint.

In addition, ECO driving is applied by all our drivers to keep fuel consumption as well as emissions at the lowest possible level.

GN Transport uses EcoTransit to continuously monitor the emissions of our trucks.

Through the data provided by EcoTransit, we can see what each individual transport and shipment corresponds to in emissions along with many additional variables. This data has resulted in us already making certain changes to reduce our emissions, while at the same time providing us the opportunity to continuously adjust how we transport goods in a climate-smart way.

Statistics are shown on the next page on how much CO2 emissions per kiloton kilometer our vehicles emit and how our modern fleet looked in 2022.

* <https://www.scania.com/group/en/home/products-and-services/trucks/gas-truck.html>

EMISSIONS & STATISTICS

LBG100 - GAS TRUCK

Distance driven in 2022: 81260 km
Estimated emission CO₂t (Diesel): 59.96988
Estimated emission CO₂t (LBG): 11.993976
Reduced emission CO₂t: 47.975904

Calculated on 80% less CO₂ emission compared to diesel. The number is between 50%-90% depending on gas type.

CO₂e Ton (wtw)

22123

2020

23917

2021

22489

2022

66,091

2020

66,040

2021

66,072

2022

CO₂e Intensity g/TKM (wtw)

EURO-CLASSES

10%

2020

• EURO 5
• EURO 6

8%

2021

• EURO 5
• EURO 6

5%

2022

• EURO 5
• EURO 6

USE OF THE RAILWAY NETWORK

*Number of kilometers
our transports traveled
by railway in 2022:*

446.393

*Reduced emissions via
railway in 2022:*

**397 ton
CO₂e**

The business idea for GN Transport has since the start almost 40 years ago been to transport goods from Sweden to France via trucks. This is to guarantee fast, safe and service-oriented transport. However, we have also started to use the railway network in Europe. This is a cost-effective method of transportation while reducing emissions significantly. GN Transport has therefore increased the number of transports via the rail network in recent years and the vision is to continue on this path. However, our customers always come first, which is why we always must make sure to adapt to their needs and the current state of the railway network in Europe.

IMPROVED WORKING ENVIRONMENT

To maximize sustainable environmental work, we at GN Transport reward cases where several positive factors can be influenced through one action. An example of this is the electrification of forklifts at our terminals have undergone in recent years. This not only contributes to lower emissions from our operations. It also gives our employees better premises to stay in through less exhaust gases and lower noise levels.





OUR VIEW OF THE WORLD

The most important task for all companies in GN's group is to develop and maintain a financially sound and successful business. GN takes its responsibility where we have effective control. Our responsibility applies in the communities and environments where we operate as well as towards our employees, business partners and society in general. We therefore have defined a number of basic rules for our actions:

- We conduct our business with high integrity and morality.
- We comply with the laws and regulations that apply in the countries where we operate.
- We respect the United Nations Declaration of Human Rights and accept our responsibility to observe the rights and obligations that apply to our actions towards our employees and the communities in which we operate.
- We have an open attitude in the dialogue with those who are affected by our operations. We respond to requests from external parties and communicate with interested parties within a reasonable time and in an efficient manner. Within the area where we have influence, we shall strive to ensure that our suppliers, subcontractors and other partners follow the principles of our code of conduct in relation to our projects.

OUR COWORKERS

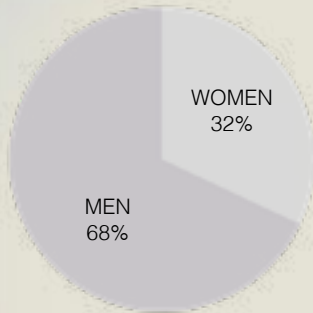
GOOD WORKING RELATIONSHIP RESULTS IN HIGH QUALITY SERVICE

GN Transport consider its coworkers one of the most important instruments in being able to maintain high quality throughout our operations. Being able to give our employees a safe workplace where they can develop and be themselves is therefore extremely important. We constantly strive to ensure that they feel valued and enjoy their tasks as well as their colleagues and their work environment.

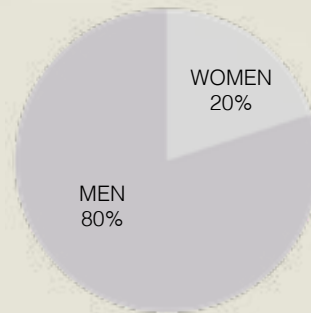
In line with this, GN Transport offers and encourages all its coworkers to, for example, use their wellness contribution, continuous employee meetings, open dialogue and to freely express their opinions between different departments and minimize hierarchical structures. This is something we can proudly say permeates our entire organization and we are constantly working to continue developing our relationships with our coworkers.



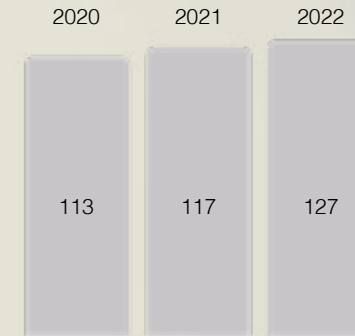
COWORKERS IN NUMBERS



NUMBER OF OFFICIALS: 38



BOARD



NUMBER OF EMPLOYEES



THE IMPORTANCE OF RELATIONSHIPS

RELATIONSHIP TO OUR EMPLOYEES

To have a strong and lasting relationship with all employees, based on mutual respect and dignity, is very important to GN Transport. The employment conditions offered to the employees must meet the minimum requirements of national law and relevant ILO conventions.

- We offer a safe and healthy working environment and we constantly try to implement improvements.
- We give individuals equal opportunities regardless of gender, gender identity or expression, ethnic affiliation, sexual orientation, religion or other belief, disability and age. We do not tolerate discrimination or harassment.
- We offer those who work with GN Transport different ways to report abuses and legitimate concerns. In this way, the employees, and other co-workers, can receive a proper review and action can be taken without the reporting person being exposed to retaliation.
- We recognize the right of employees to form or join trade unions in accordance with the laws and principles of each country.
- We offer employees training opportunities that support their current and future work plans.
- We do not employ people under the age of 15 or any other applicable higher statutory minimum age.
- We do not apply forced labor or other forms of involuntary labor at our workplaces.
- We do not allow procedures that restrict the free movement of employees.

INTERVIEW WITH A COWORKER

It is naturally one thing for an organization to express how it wants to work with its coworkers and what permeates the company as a whole. More important is how our employees, and other partners, experience us. Therefore, we have interviewed one of our coworkers about how he experiences his work environment with us at GN Transport.

INTERVIEW WITH MARTIN STEPHANEK

How long have you worked for GN Transport?

I have worked at GN Transport since 1997. I primarily drive between Sweden and France, but I also partly work at the terminal.

What is your view on the relationship between management and employees?

My experience is that there has always been a very open environment and not particularly hierarchical structures. I can just as easily talk to someone in a management position as someone who works at the terminal.

How are you treated by customers, subcontractors and other stakeholders in relation to your employment at GN Transport?

Of course, it varies from person to person, but overall I think that GN Transport seems to have a good reputation and most people I meet in my work appreciate our service and consider GN to be a serious player in our market.

Do you think that employees receive the information, safety and security that one could expect from a company like GN Transport?

As a full-time worker, I feel that I almost always have good experiences with GN. Otherwise, I probably wouldn't have continued working here. We receive regular training and there is a driver's handbook and more. Possibly, this manual and other information may become even more easily accessible.

What kind of problems do you experience within the organization?

The workload is good, generally speaking, but as the amount of transport varies somewhat over the year, the pressure on those who work at the terminal can be a little too high from time to time. This can be stressful but also a part of the work in the same way that there are calmer periods in certain parts of the year.

What do you think is the most positive thing about GN Transport?

There is a good atmosphere and great colleagues, and at the same time it has always been easy to talk to managers. Our vehicles, premises and other work tools are modern, which makes work both easier and more comfortable.

SOCIAL SUSTAINABILITY



We are constantly working to give the driving profession a better status, we call it “the GN spirit”

The importance of putting the employee at the center is something of a cliché, but still very true. After all, we work with services performed by people!

All drivers who work for GN Transport have access to our **Driver's Handbook**. Here you'll find everything you need to know as a driver. It is available in Swedish, English, German and French.

The driver's manual contains, among other things:

- GN Transport's goals and policies
- Work routines
- Customer-specific routines
- Checklists, etc.
- Information about first aid
- Crisis management
- Work with dangerous goods

We have continuous driver training and, combined with the driver's handbook, we constantly keep our employees updated in all areas they need to adapt to in order to perform their profession in a safe, professional and sustainable way.

SATISFIED CUSTOMERS

Our overall quality goal:
- To have satisfied customers

All our sustainability work is primarily based on one thing, high customer satisfaction. This will constantly be in focus since without satisfied customers there will be no business to develop. Just as in all social sustainability, this is continuous work and all employees within the group know the importance of maintaining a high level of service and constantly striving to put the customer at the center.

To follow up on our customers' view of us, we work together with Quicksearch and their NPS (Net Promoter Score) system. Here, each customer can, sometime each year, do a short survey about our transport service. Of course, this survey is voluntary, but we encourage it as it can help us correct any mistakes and the continued work towards the perfect transport service.

Ratings from a total of 737 customers who gave their opinion about us at GN Transport and our service:



- Promoters
- Passive
- Detractors

What our promoters say about us:

"Alltid lika tillmötesgående o lätta att ha att göra med. Fin o bra service! Tack!"

"Livré très rapidement et mails reçus pour le tracking"

"Viljan och förmågan att lösa problem, komma med lösningar för speciella förfrågningar."



INTERVIEW WITH A CUSTOMER

INTERVIEW WITH MALIN FLINCK AT HELÉNS RÖR

What is the business of Heléns Rör and what is your role?

I have been working as a logistics manager at Heléns Rör for 6 years. Our collaboration with GN Transport has developed over a long period of time, where after some time we found a solution with trains up to Mälardalen. We have always had a very good collaboration with GN where we have found solutions together for a sustainable perspective and made our transports more efficient.

What made your company start using GN Transport?

We got into a situation where we needed to resolve an area that wasn't working so well with our carrier at the time and found out about GN Transport. The fact that it was a local company was a big bonus as we wanted an office close by to enable as good a collaboration as possible. We are looking for a partnership with our carriers where communication and solution-oriented people are of great importance. We also needed to look at our flow from a more sustainable perspective and found a solution with trains twice a week. When the train line stopped, we kept two departures a week with trailer to keep emissions down and optimize our transports.

What is your company's view on sustainability, both for the climate and socially, in the choice of collaboration partners?

We run our import flow by train as far as possible where time is not crucial and if the products can handle it. We measure our emissions not only in terms of transport, but we see more and more customers who require it throughout the whole chain, from the steel mill until the products are in the customer's yard. Heléns Rör has also installed beehives to contribute to biological diversity, which is part of the UN's global goals.

What kind of treatment do you receive from GN Transport employees?

We have and have always had an incredibly good collaboration with quick responses and very good feedback. When even the CEO of GN Transport calls our customer in the event of a train delay, it says a lot about them as a company.

How do you think GN Transport's service could be developed?

We would have liked to see GN having flows in more markets in Sweden. Loading one day and unloading the next minimizes damage and is a safe method of transport for us, provided it is the right distance of course.

COOPERATION PARTNERS

We must surround ourselves with good partners to maintain high sustainability at all levels. As mentioned in the “Climate & Environment” section, EcoTransIT is one of those partners who help us to be better.

EcotransIT offers a flexible tool for complex calculations of emissions that will help us save time, report the right figures and be able to offer our customers the information about emissions they request. This is an important stage as these issues have increased and will continue to increase in the future. The investment in this software means that we are at the forefront of being able to give our customers the emissions report they wish.



Other examples of this are that GN Transport in Luxembourg collaborates with Lean & Green. A sustainability program in logistics in Europe to prevent CO2 emissions.

We hope that this collaboration continues to develop in the coming years and that the program will get more actors linked with it in order to speed up the development towards a more sustainable climate through less emissions.



ACTING IN THE MARKET

Corruption, bribery and unfair anti-competitive measures distort markets and prevent economic, social and democratic development. GN doesn't tolerate such practices.

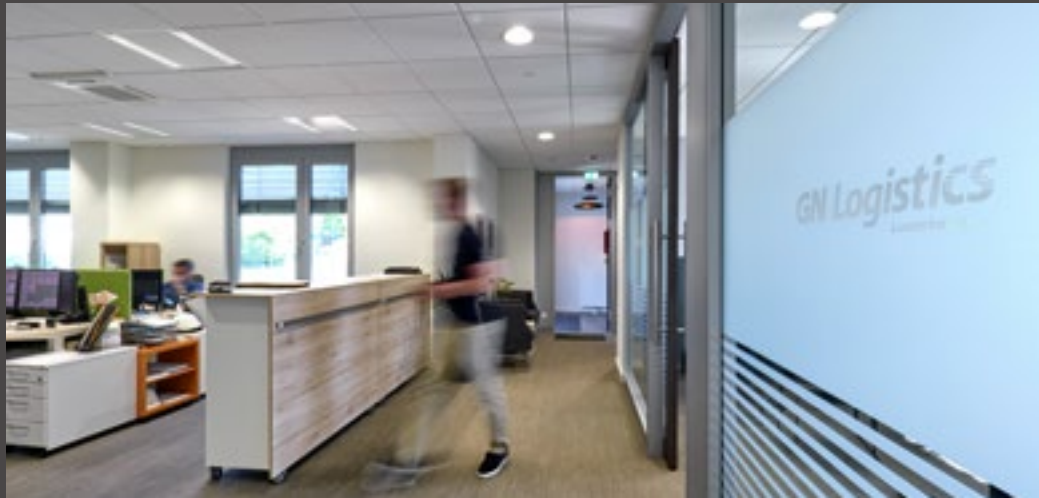
- We shall not act in violation of applicable competition laws.
- We shall not, directly or indirectly, offer or give improper payment or other compensation to any person or any organization with the purpose of inducing the person or organization to act contrary to prescribed obligations in order to obtain, retain or control assignments or obtain other improper advantages within the framework of GN's operations.
- We shall not, directly or indirectly, request or accept any form of improper payment or other compensation given for the purpose of inducing us to act contrary to our prescribed obligations.
- We report all financial transactions in accordance with good accounting practice and prepare annual accounts and consolidated accounts in accordance with the Annual Accounts Act and BFNAR 2012:1 Annual report and consolidated accounts (K3).
- We have controls in our IT routines to ensure adequate data protection for our customers.
- We have a purchasing structure that ensures that we do not purchase forged products.
- We have intellectual property rights through registered trademarks.



GN CARES ABOUT ASSOCIATION LIFE

GN Transport has always cared a lot about association life. Over the years, we have therefore sponsored various sports associations in our immediate geographical vicinity. Some of the associations that we sponsor today are HK Drott, Halmstad Hammers and Halmstad BK. Helping associations contributes both to strengthening the communes in our nearness while at the same time giving the practitioners, adults and children, the opportunity to get physical activity and social interaction. Through our sponsorship, we also have the opportunity to form new ties with future employees, customers and other interesting partners.





THANKS FOR 2022!

